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BETMATCH WHITEPAPER

BLOCKCHAIN SOLUTION FOR BOOKMAKERS
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Introduction

The betting industry currently lacks convenient and trustworthy services for players all around the world. A betting service based on settlements exclusively in cryptocurrencies looks very appropriate due to natural, cheap, and fast payments for deposit and withdrawal purposes. However, centralized betting companies that can integrate the option of using cryptocurrencies as an additional option for depositing and withdrawing money along with Fiat payments (bank transfer, credit cards or electronic money systems) do not look attractive in the framework of the concept of trustless service due to a number of obvious problems. First of all, they are connected with centralization and complete dependence on the management of the company for calculating interest payments and the withdrawal process.

Betmatch creates a blockchain solution for bookmakers that allows players to bet (against each other, as well as the betting service itself, which is a supplier of liquidity to the betting market within the system) using cryptocurrency, with a trustless system of client funds storage, betting calculation and execution of payments. The house also has a second layer, which is designed to self-organize a community of people interested in sports and bets on events (forecasters, influencers, athletes, analysts, information consumers and players) with a special motivation system.



What is Betmatch?

Explore in 30 Seconds

Betmatch is a blockchain solution for bookmakers that combines the classical business model (executed in a trustworthy paradigm using blockchain technology) with the integrated social structure for the effective development of the community.

Blockchain infrastructure is used to store funds and execution of betting calculations. Furthermore, it provides the opportunity to combine a trustworthy betting service with a social network. These two business models perfectly complement each other, providing additional customer value and enhancing the overall net effect of the system created. Social interactions related to decision making in betting is the most prominent use case in the industry today. Often, social interactions have a poor reputation because of deception from bet decision providers and execution without a clear track record and long-run motivation system. The traditional model of the bookmaker service, even with the advantages of cryptocurrency, is weak due to the very competitive market environment and the high cost of user acquisition, which can be solved with the help of the self-organizing system of communities around the brand. Solving both problems (credibility to the bookmaker and reliability of the service, high cost of customer acquisition and, as a consequence, the need for a self-organizing social system) and focused on creation of a reliable technological and social solutions for the new betting market based on cryptocurrencies.

The proposed technical and business solution of Betmatch provides customers with a service of betting on events in a trustless mode to the bookmaker. Deposits, bets execution and withdrawal of funds are made in a decentralized environment (payments in cryptocurrencies and the execution of smart contracts), designed in such a way that they cannot be influenced by the actions of the betting service or third parties. In addition, Betmatch offers an original social solution for players and the betting community. This concept allows each client or the one who supports this project to build their personal business with the formation of cash flows and receive rewards for social activities and interaction with other players within the system.



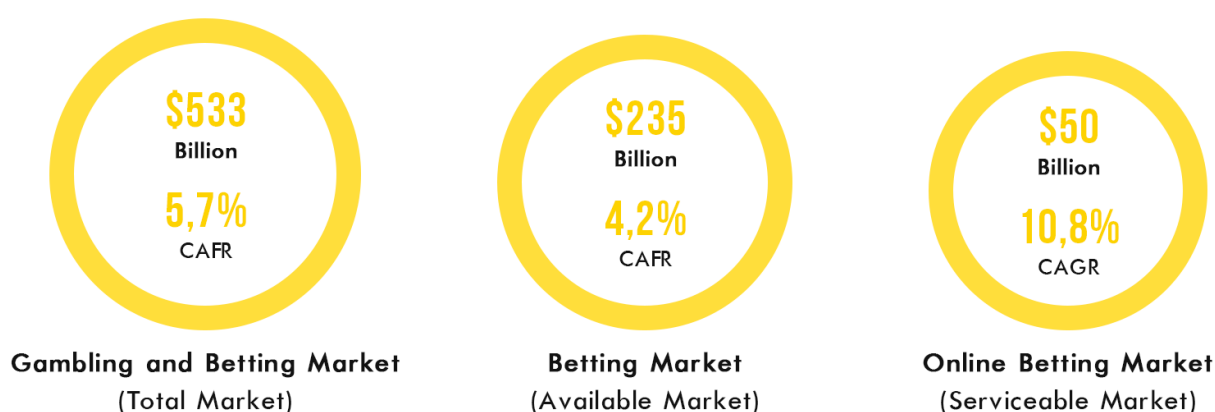
Industry Overview

Gambling & Betting Industry

Reliable numbers on the size of the gambling and betting industry are hard to ascertain because of large scale of illegal casinos and bookmaking services and, therefore, approximations vary greatly from source to source. As of 2015, estimates for gambling placed the value of the industry in the region of US\$ 3 trillion, with the majority of that being created by illegal betting. As would be expected, sports, with football, in particular, constitute nearly three-quarters of the industry.

The betting industry, more specifically, has grown by 5.4% from 2001 to 2013 with Europe and Asia representing the two most active geographies and having a combined share of 80.5% of the gaming industry as a whole.¹ In the more than 80 countries where online gambling has been legalized, Europe alone represents the largest market with a 47% market share.²

MARKET AND ITS POTENTIAL FOR GROWTH



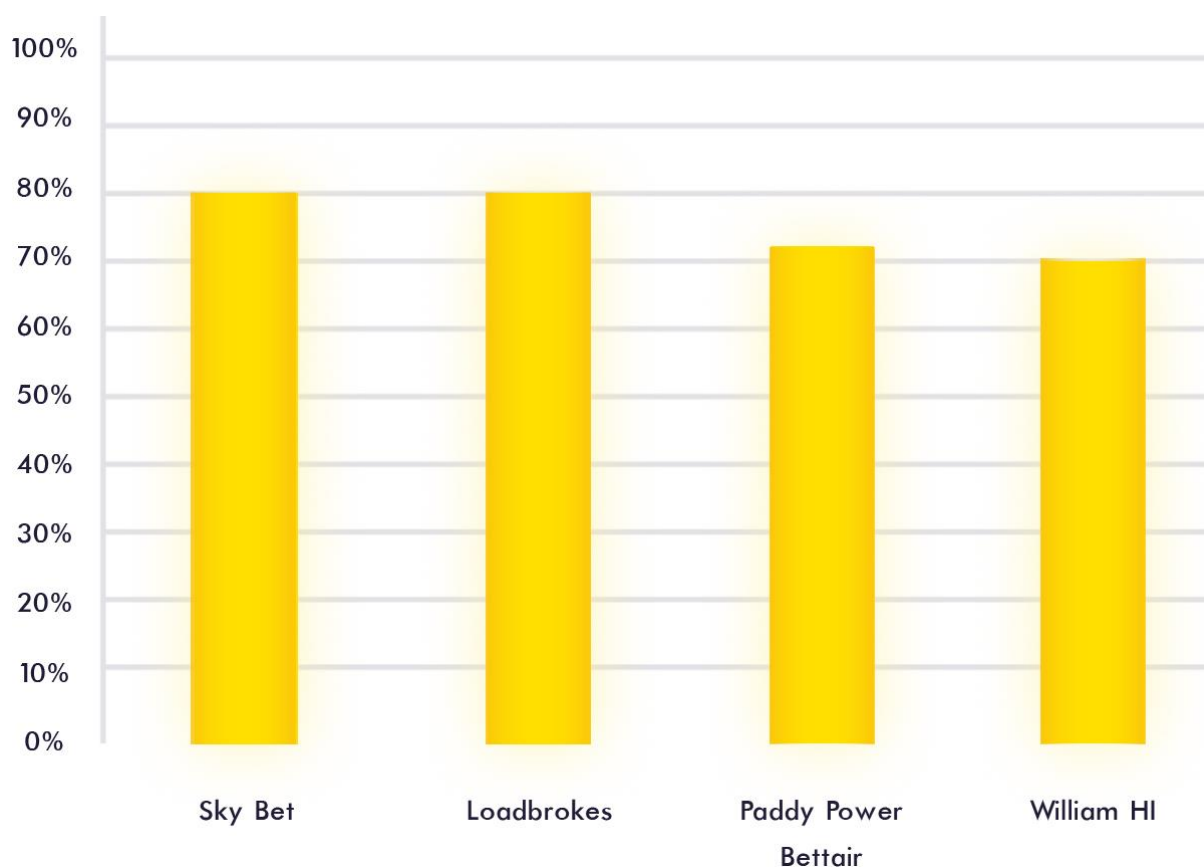
Picture 1. Online gambling market size.

¹ <http://www.egba.eu/media/Sports-Betting-Report-FINAL.pdf>

² <http://www.egba.eu/facts-and-figures/market-reality/>

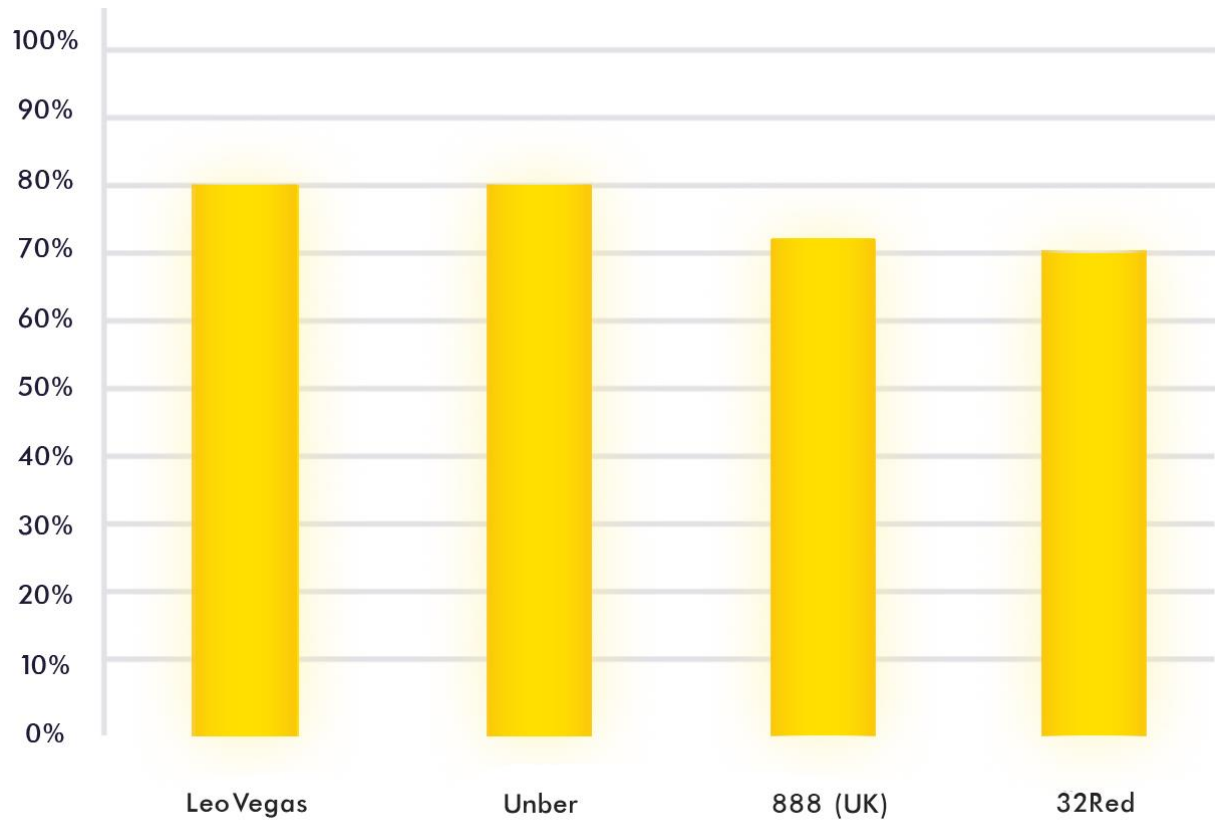


With increasing global smartphone penetration, the gaming market is undeniably shifting towards online channels. By the end of 2016, mobile revenues in the UK were approaching 80% for the four largest sports gaming operators.³



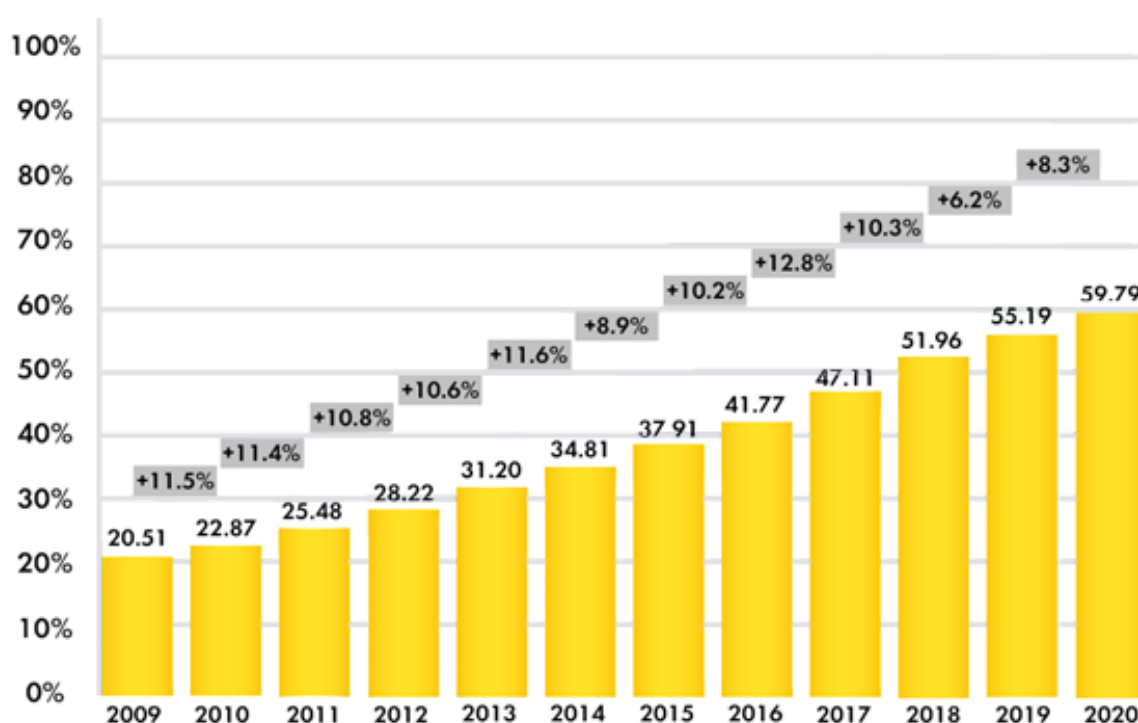
Picture 2. The income share from sports betting produced with the help of mobile devices for four largest betting services of the UK.

³ https://egr.global/wp-content/uploads/2017/02/001_EGRWhitePaper_2017.pdf



Picture 3. The income share from sports betting produced with the help of mobile devices for Leo Vegas, Unber, 888, 32Red.

The virtual gaming sector is worth approximately US\$ 50 billion. Within the EU, the average mobile gaming expenditures have increased fifteen-fold from US\$ 1 USD in 2010 to over US\$ 15 in 2017.



Picture 4. The cost of the virtual gaming sector and its growth rate.

In the past, a significant part of the gambling industry used cash payments. This was especially true within the Asian markets. With the rise of online gambling opportunities and virtual currencies, the importance of cash for gambling is diminishing

Sports Betting

Sports betting represents nearly 50% of all legal gambling and is purported to be the leading driver of illegal gambling. The sports betting segment is dominated by a few traditional betting houses such as Bet365 and William Hill, who have all maintained strong market share.

Digital Economy

The crypto industry has been highly volatile but has shown a clearly upward trend over the last 18 months. Valuing the market capitalization of the industry is currently insignificant at the global level given the speed at which the market moves. However, one of the few indicators that matters is not as speculative and volatile as market fluctuations - these are the number of users owning digital currencies and assets..



Although it is almost impossible to determine the exact number of cryptocurrencies' users, it can be estimated by analyzing the number of Bitcoin wallets. As of the beginning of October 2018, there were 29 million Bitcoin wallets, which is almost 12 million more than a year earlier. At the beginning of October 2018, Ethereum had more than 43 million unique addresses, which is 5 times more than at the beginning of October 2017. Despite the fact that users may have several addresses, in addition, many addresses are used to make deposits on cryptocurrency exchanges, it is obvious that the digital economy is on its way to maturity and is moving towards acceptance by the mass market.

Little official information is known publicly about the number of active and distinct users on different exchanges and wallets. Perhaps the most accurate example is Coinbase, who claim they have more than 20 millions of unique users.⁴

From what the industry has experienced in the last year, Betmatch estimates there are over 60 millions of unique users in this highly fragmented market. The main advantage to use cryptocurrencies in betting is the possibility to avoid complexity with fiat settlements which after a sharp increase in control over payments are a headache for bookmakers and clients. Cryptocurrencies and the blockchain technology itself that allows organizing the process of games and bets fairly, would definitely play a critical role in games connected with betting and gambling in future.

Social Betting

Mass Internet penetration has led to not only the digitalization of the betting business, but also to the introduction of a huge social component in the industry.

There are several rationales driving these phenomena:

1. Mass access by players to the online betting market;
2. Increasing Internet penetration and a corresponding increase in the habit of information exchange via networks;

⁴ <https://www.coinbase.com/about?locale=en>



3. Psychological aspects of individuals and the habits of working with information; Redundancy of information on events. Initially, it is better to have information than not to have it. However, information is often contradictory and doesn't allow a user to make adequate decisions;
4. "Social Proof" or mass confirmation of presumable "correctness" of the decision in the community. In the sphere of decision-making, the psychology of the vast majority of people is positive (and in some cases – literally is eager) public approval. Risking money, players want to rely on the opinion of the "crowd" or that of someone "authoritative." Similar searches and dependence on social approval is broad and is often used for e-commerce, offline commerce, social media, and for developing the strategy of goods and brands;
5. Other psychological phenomena of the markets, such as irrationality or dependence on influencers.

Thus, digitalization of the markets, mass access of players to betting processes, and the psychology of individuals and the market in general have become significant factors of the emergence of the unique and extensive market of social interactions within betting.



Betting Industry Problems

Player Facing Problems

1. Depositing and Withdrawing Funds

With the current regulatory environment, both in the gambling industry and in the crypto industry, there are significant hurdles created by financial institutions. For example, the opportunities associated with banking transactions are often limited when it comes to cryptocurrencies or the gaming industry. KYC rules and a number of other issues can lead to an increase in time, as well as additional difficulties for the transfer of money.

2. Trusting the House

All bookmakers like to complicate big gains on a formal basis. Given this delay in payments, as well as the fact of registration of bookmakers in offshore jurisdictions, the player is actually at the mercy of the bookmaker services. The payment of winnings, especially of the large ones, often really depends on the goodwill of the bookmaker. As a result, the player must completely trust the bookmaker in the betting process, which is completely unacceptable in the modern paradigm.

3. Social Betting

Social betting and social networking within the betting industry is a very interesting and desirable option for a majority of customers. Players like to study predictions and sports statistics that are provided by “experts” or even by more experienced players. The critical issue is the lack of a trusted track record and any proven information about the real performance of such “experts”. Many sports analysts initially deceive their followers, manipulating their statistics and personal performance in order to mislead customers.

4. High Commissions

Players must pay gambling houses and institutions high fees to place bets. These fees can range from 5-15%. Furthermore, withdrawing money from platforms can also be an expensive proposition.



House Facing Problems

1. Financial Infrastructure

The complexity and costs associated with servicing the financial needs of players are only rising. Betting companies must accept payments and send winnings to players in multiple jurisdictions, each with their own sets of rules.

2. Marketing Costs

The cost of marketing and user acquisition for traditional players and gambling houses is quite substantial. At least for the time being, the crypto community is quite niche, so there is a great opportunity to find and acquire new customers without huge marketing budgets.



Opportunities and perspectives

The number of mobile users has been steadily growing across all markets around the world. In 2015, mobile users represented nearly a third of all online gaming participants and market penetration is expected to surpass 40% by 2020.⁵ However, these users are limited by using fiat currencies for all gaming activities. Coupled with the rise of cryptocurrencies and its accelerating adoption, Betmatch expects a sharper increase in market penetration for online gaming. Betmatch estimates that there are already 60 million holders of cryptocurrencies in the world today and expects that number to grow to several hundred million by 2025.

Apart from the cryptocurrency adoption, gambling regulations within the EU and around the world are tightening, thereby preventing the advertising of fiat-based gaming. This presents a second opportunity for Betmatch to acquire new users from the fiat economy. The potential cryptocurrency-based gaming market is sufficiently large, and business model, that combines digital currency usage with social-betting (as a fundamental approach to further user acquisition) can become hugely profitable and popular.

⁵ "H2 Global Summary" by H2 Global Capital, 18 May, 2017.



Competitors

Cryptocurrency-based betting is not a unique idea in itself. Satoshi Dice, the first successful bitcoin-based gambling and betting business, has been operating since 2012 and its bitcoin deposit address is still one of the most popular addresses within the bitcoin network. At the moment there are a dozen bitcoin-accepting betting companies, but they all have the issue of trust as they are all centralized systems.

Blockchain networks, operating with Turing smart contracts (Ethereum, QTUM, and others) provide unique opportunities to developers and business architects for designing new business models, especially in the gambling and betting industries. Betting-related projects, using blockchain technology can be allocated to two basic groups:

1. Prediction markets, based on crowd intelligence and market perception; and
2. Platforms and protocols, serving the “traditional” betting business.

Traditional betting services, which already have a user base and substantial market experience certainly require separate consideration.

Prediction Markets

Prediction markets are quite similar to ordinary bets. The main difference consists in the particular process of interaction with the system. In traditional betting processes, the customer bets on the custom result of the event. In the prediction betting process, the customer “buys” a result, which is traded on an internal exchange. If the market is effective and liquid, the price considers all available information connected with an event. There are a dozen projects on the market related to this business model. The three projects most worth considering are:



STOX

(<http://www.stox.com>)

Market prediction with decentralized oracles. All "bets" are accepted in ETH; Its own token REP is used as a pledge to create a market and provide a process for obtaining honest information about the outcome of an event.



Gnosis

(<https://gnosis.pm>)

Prediction market DAPP, operating as the Beta version at the moment. GNO native token is used to produce OWL - token for paying fees.



Augur

(<https://www.augur.net>)

Prediction market DAPP with decentralized oracles. All «bets» are made in ETH; native token REP is used as collateral for market creation and reporting the results of events. At the moment Augur is operating in main Ethereum network.

These projects execute similar business models to each other. Distinctions like only in the nuances of interaction with oracles and the concept of the token economy. Only one project, Augur, is live and operating on the market. At the moment, the Augur capitalization is \$ 142 million, and bets on dozens of events have been launched within the application. It is important to note that Augur is mainly oriented on user events, such as predictions of weather, cataclysms, political events. Sports bets appear there only sporadically and have a very narrow list of markets; In this regard, it is now obvious that the prediction markets are unlikely to become serious competitors to bookmakers and services with a traditional approach (broad-case event, high liquidity).



Betting Platforms & Protocols



Betherereum

(<https://www.betherereum.com/>)

Peer-to-peer betting using own tokens and with social gamification (badges, achievements, etc.). The token is used as the unique payment instrument in an ecosystem.



FansUnite

(<https://fansunite.io/>)

Betting protocol focused on sports events. Business model – protocol for DAPPs and oracles (for providing betting-sensitive information). As a scaling solution 0x-like style off-chain settlements are projected. You can create own market or bet and trade it. Protocol token.



FunFair

(<https://funfair.io/>)

Turnkey solution to create casinos and transparent gambling. Tokens used for internal payment and gambling.



LetBet

(<https://let.bet/>)

Anonymized gambling platform for betting on a variety of different games (sports, slots, poker, etc.). Token as a store of value and used for gambling (for players to play bets, for the game provider – to stake).



Fairwin

(<http://fairwin.io/>)

The game developer that allows for betting on their games (mostly slots). Tokens used for gambling in their platform/games. The business model is focused on business-to-business.



Decent.Bet

(<https://decent.bet/>)

Slots and sports betting platform that allows users to buy tokens and earn returns on houses that set up on their platform. White label solution for business. Two type of tokens - in-house tokens and tradable tokens.

“Traditional” betting platforms and protocols have demonstrated a variety of business models. However, they are primarily aimed at the execution of a formal approach where customers select an event, the particular future result(s), and bet on it. There are 20 projects in industry dedicated to betting using blockchain as the core technology for their business model.

Business models for the majority of projects are related to several approaches: a betting protocol, a P2P betting platform, a social betting platform, a decentralized betting exchange, and a betting company (on a blockchain basis). In the betting business, there are several keys to success that are well-known in the industry:

1. Overall liquidity in a variety of betting markets;
2. Sports analytics (providing the right coefficients on betting lines); and
3. User acquisition strategy (to attract users with minimal marketing investments).



During the analysis of business models presented in whitepapers of betting-related projects, we cannot find a single solution which address these three fundamental keys to success appropriately.

The Betting Protocol is an infrastructure solution and, at first glance, seems very attractive. This model is focused on providing technology infrastructure to betting companies and businesses aimed to execute their own betting house or related businesses on a blockchain basis. However, diving deeper into the real bookmaker business, it becomes clear that big and global betting houses will not use it. First, they do not need decentralization entirely. If there is demand from customers to add crypto as deposit and withdrawal approach (as well as regulative possibilities), the bigger betting houses will integrate deposits in crypto (BTC, ETH, etc.) in their services. Local betting companies also do not need such protocols. In fact, any successful betting company has enough funding to produce a customized solution that fits their particular requirements. So, while the betting protocol is good idea, it is not necessarily appropriate to current real-world businesses in the bookmaker market. In this case, prediction markets are much more valuable and have more prospects for extensive real-world usage.

Pure **peer-to-peer betting** is an exciting idea, but liquidity and the variety of markets is the primary issue. If you want to place a big bet, you need to find a counterpart according to your bet size while also taking the betting coefficient into account. Such a system can work only if there is a sufficiently large customer base, and even in this case, there are many problems that may prevent the real execution of such a project.

The social betting platform is a model that is desired by industry customers. Players like to follow influencers. However, social betting works if you have your own (trustworthy) betting house to record performance statistics. In other cases, you need to have API connections to some significant houses to collect trusted info about bets of the analyst/influencer. Of course, there is the possibility not to verify analyst/influencer bets at all and record their prognostics. However, it does not work.

The decentralized betting exchange is a business model with greater real usage opportunities. The critical issues to be solved are, once again, liquidity (market making), and user acquisition.

Betting company on a blockchain basis is related to the traditional betting businesses focused on cryptocurrencies as central settlement unit and partial decentralization of business



processes such as bets execution and payouts. Key challenges are connected with betting lines (if you don't have own one, it is complicated to buy it or to execute as in-house line analytics) and user-acquisition.

Currently, **traditional betting companies** hold the bulk of the betting market. All alternative approaches (prediction markets, decentralized betting markets) are currently predominantly under development. Despite the leading position in the market and the substantial incomes of a number of large companies, there are many cases and attempts not to pay winnings to players on purpose. This is one of the reasons why players pay closer attention to technologies and services that guarantee the fulfilment of bookmaker's obligations to the player.

| Company | Official financial statistics | Loud cases of dishonest behavior with players |
|--------------|---|---|
| William Hill | Revenue 83 million British Pounds (2017) | Over 57% of users worldwide proclaimed William Hill to be dishonest and rude to the players. ¹ A group of betting fans accused the British book-maker William Hill of his deliberate refusing to pay winnings. ² |
| Bet365 | Revenue 2.3 billion British Pounds (2017) | Bet365 was taken to court for refusing to pay over £1m in winnings to a horse bettor in Northern Ireland in 2017. |
| Ladbrokers | Revenue 204.3 million British Pounds (2016) | — |

Table 1

In general, in the betting industry, you can count hundreds of companies serving tens of millions of players. All these companies are united by one thing - the use of outdated and expensive fiat financial infrastructure and the centralized implementation of business processes, which often leads to deception of players by companies and non-payment of winnings.



Conclusion

When exploring the field of startups in prediction markets and traditional betting houses, only one trusted, decentralized, and operating project was found - Augur. Other projects are primarily focused on betting traditionally and are working on some similar business models. All offered approaches by these projects contain critical problems described above and have yet to be addressed or solved. No one project aimed at traditional betting has the solutions to the mentioned problems, significant market share, or market influence at the moment. The creation of a successful project, under our opinion, will require combining trustworthy blockchain processes and ordinary non-blockchain services as well as implementing a self-scaling social system to allow for low-cost user acquisition. Traditional betting companies have a leading position in the online betting market with billions of dollars in revenue, serving tens of millions of players. However, fundamental problems of trust in a betting company, caused by frequent abuses by companies and non-payment of winnings combined with the inconvenience of working with fiat payments, make it obvious that in the nearest future decentralized betting services will be in great demand (with widespread use of cryptocurrencies).



Betmatch

The Betmatch project is aimed at building a blockchain solution for bookmakers that primarily allows players to bet against each other and the house using cryptocurrencies with trustworthy customer fund storage, bet execution, and payouts. The second layer of the system deals with a social betting network and a unique motivation system.

The project is composed of multiple modules that work together to create a trustworthy betting house:

1. Fund storage contracts;
2. Bet execution contracts;
3. Betting line-providing modules and a system for coefficient calculation;
4. Frontend UI/UX;
5. Backend related to web and application support.

Fund Storage & Payouts

Security and fund storage are executed in a way similar to those used by decentralized exchanges like IDEX. The customer deposits Ether into the system and uses it to bet on various markets without having to transfer money. Any external third party cannot influence funds, bet execution, and payouts. These processes are handled automatically by way of smart contracts.

Public Liquidity Pool

In contrast to traditional betting houses, deposits, storage of customer funds, bet execution, and payouts are processed via a decentralized network. As the project is transparent and dedicated to community, the liquidity pool (the entire system's non-user funds) is stored in a decentralized mode, visible for any external person.

Social Betting System

The critical invention of Betmatch is the innovative social betting system that serves players, analysts (or any person that can influence the betting industry), and Betmatch itself. For players, this model gives the opportunity to significantly reduce betting commissions in comparison with traditional betting houses as well as use a proven, trust-based social betting



service. For analysts and other persons, it is a unique opportunity to direct and monetize their skills by influencing their subscription base. For Betmatch it gives a chance to significantly decrease marketing costs and allows for easy business scaling.

Business Model

The Betmatch platform actively generates revenue in four primary ways:

1. Betting wins (customer losses);
2. Betting commissions;
3. Wallet withdrawal fees;
4. Sponsored content and advertising.

System is designed to share 50% of all system commissions to players on basis of discount as a result of token staking (would be described in “Token Economy” section).

Betmatch anticipates that by the end of year 5, the platform will have over 400,000 players and will generate profits in excess of \$91 million. Betmatch's net present value in excess of over \$ 72 million. with an internal rate of return above 60% is expected to take place in 2019 when reaching a user base of ~ 87500 players.

| Summary Table | 2019 | 2020 | 2021 | 2022 | 2023 |
|-------------------------------|--------------|---------------|---------------|---------------|---------------|
| Anticipated Number of Players | 87 500 | 125 000 | 206 250 | 206 250 | 418 750 |
| Betmatch Platform Revenue | \$48 634 900 | \$101 938 813 | \$211 527 072 | \$211 527 072 | \$670 473 557 |
| Project NPV | — | — | — | — | \$72 223 355 |
| Project IRR | — | — | — | — | 65,71% |

Table 2. Excerpt from Betmatch business model.



Blockchain as an Integral Technology for Betmatch

Since ICOs and related token issue activities have become mainstream, many startup companies have decided to integrate blockchain into their services to reach a more speculative value and attract additional money to their business. It is quite clear that the majority of these projects only make their core business more complicated and expensive. In designing Betmatch's business architecture, we carefully studied the advantages of applying this emerging technology to the betting process.

The primary areas where real value is added in betting through blockchain technology integration are:

1. Settlements

Cryptocurrency payments solve many of the issues related to fiat money transfers in the modern world for both the player and the betting provider.

2. Trustworthy Bet Execution and Payouts

Trust has real value, and in the betting industry, it is even more critical. Guaranteed by computer code, fast and easy payouts for wins are necessary and desired by every customer.

3. Social System Establishment

A majority of B2C models currently focus on building an active community around the brand and their main business models. Trust is the first key to community building and the overall transparency provided by blockchain gives the unique opportunity to create a modern social system around the business. In betting, the social system is connected with who, when, how, bets placed, and results.



Blockchain, especially smart contract use cases, can provide a unique opportunity to create a new level of service for customers. Nevertheless, it is essential to take into account which part of functionality can be executed in a centralized manner without severely affecting a decentralized role, thereby allowing the project to enter the market faster than competitors. Technology needs to avoid being overused in cases where it may add more problems without adding any value. In Betmatch, this is the approach used in order to establish a successful, long-term business.

Technology Implementation

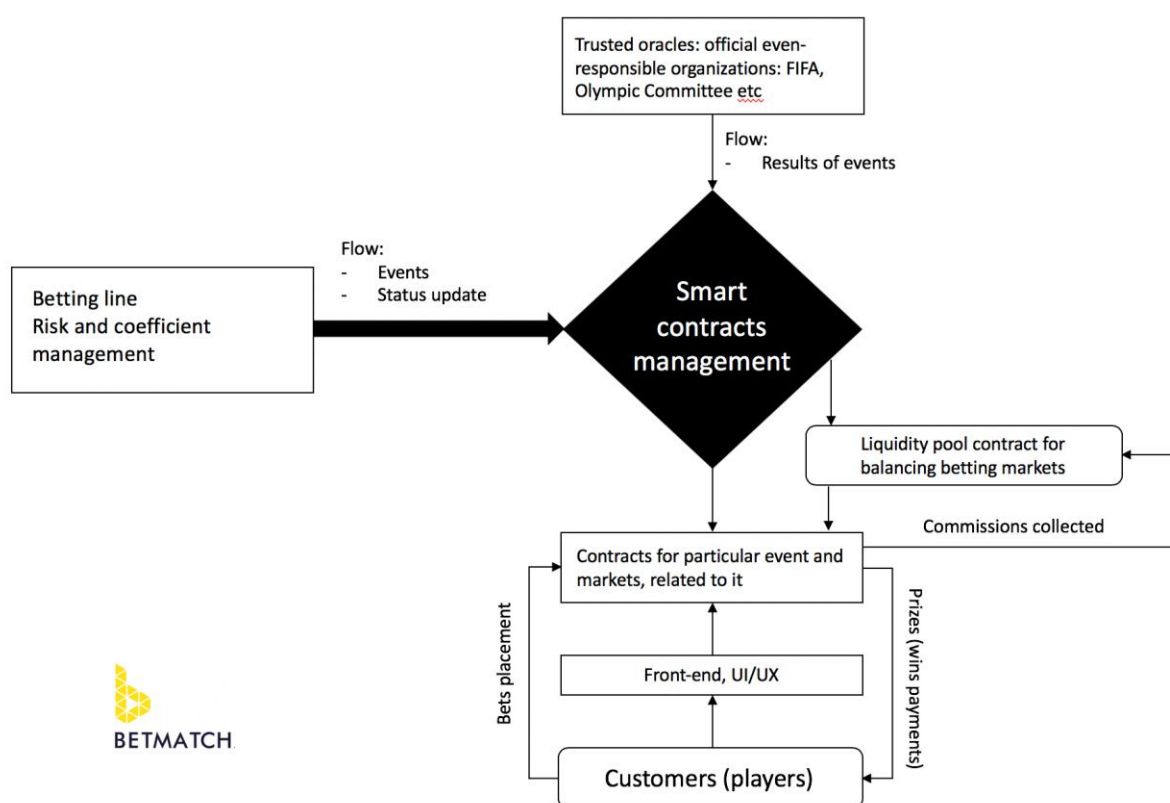
All information, related to technology implementation is widely described in Technical Paper.



Technological Solution for Third-party Companies and Services

Betmatch technological solution (business logic executed in decentralized environment, integrated with a source of betting analytics and system of risk management) can be used by third-party companies. In this case, Betmatch issues 7 options on a white label license - license, with which will help the owner to launch a full-fledged decentralized betting business based on Betmatch technology. Each option includes technological solution, a turnkey betting line coefficients and risk management tools. Detailed information about license features is provided in the fundraising section.

The schematic diagram of the Betmatch architecture is as follows:



Picture 6



XBM Token as a Unit for Forming a Social System

Within Betmatch, a system has been designed that primarily focuses on XBM token holders as well as on content providers who have information related to the betting world (forecasts, analysis, involvement in the sport world in some way, or others), each of who produces valuable content.

The token allows players to receive a discount on all system commissions on bets, including the opportunity to have completely commission-free bets within a certain limit. The token is used in a staking mode and is, therefore, frozen in account balances during the active period of use. The system as a whole is referred to as a staking discount token model.

What commissions are within Betmatch service?

1. Commission integrated into the coefficient on the outcome in the betting line. It is $\sim 2.5\%$ for each outcome.
2. Commission to withdraw funds from the system. It is 3%. Using tokens, the player can avoid both types of commission.

A diagram of charging commissions from the player is illustrated below:



Picture 7

In case of using XBM tokens to bet without commission, the user will receive 2.00 ETH, and without the use of tokens - 1.8915 ETH, winning the same bet. This is due to the fact that with the help of tokens the player actually gets the opportunity to bet at a higher rate, and also not pay a fee for withdrawing funds. Despite savings, it also increases the mathematical expectation of a long distance and increases the likelihood of a "positive game".



The token can also be used by the owner to lease it out to other players. Any player can use another user's tokens to bet and save on commission fees. In this case, according to the functionality of the token, the owner gets the opportunity to bet without commission. A user who leases a token receives up to a 50% discount share for all commissions, saved by other users betting using his tokens.

Technically, this means that the token holder (who has the right to bet completely free of charge) himself takes half the commissions from the player.

Thus, the token has two main functions:

1. The right to get a discount in the amount of the full cost of the betting commissions within certain limits
2. The right to collect commissions from players (as part of leasing a token out).

Some fraction of all XBM tokens are expected to be used in accordance the first function, while the rest will be used as a way for other players to earn money without using the underlying tokens directly. Given that the company invests in marketing and its technology infrastructure, attracting players and providing them with the most convenient and safe betting opportunities, reselling part of the commissions to other players becomes quite a simple task of generating revenue.

Leasing tokens can be performed using two options - working as an active delegate or a passive delegate.

Passive Delegates

Passive (or automatic) leasing of tokens provides for the possibility of leasing tokens without having a specific owner-oriented community. The owner of the tokens in the personal account confirms the desire to use tokens in order to save commissions for other players. In the case of an occasional player's desire to lease tokens for the purpose a particular bet (and this possibility will be implemented on the site), tokens for use are selected randomly. The token owner cannot affect the frequency of using his tokens (and, consequently, the earnings from



them) in any way, except for the use of active tokens. The frequency of using tokens in the case of normal chaotic and random requests will correlate with the total number of tokens and their shares in the entire pool of tokens offered for leasing.

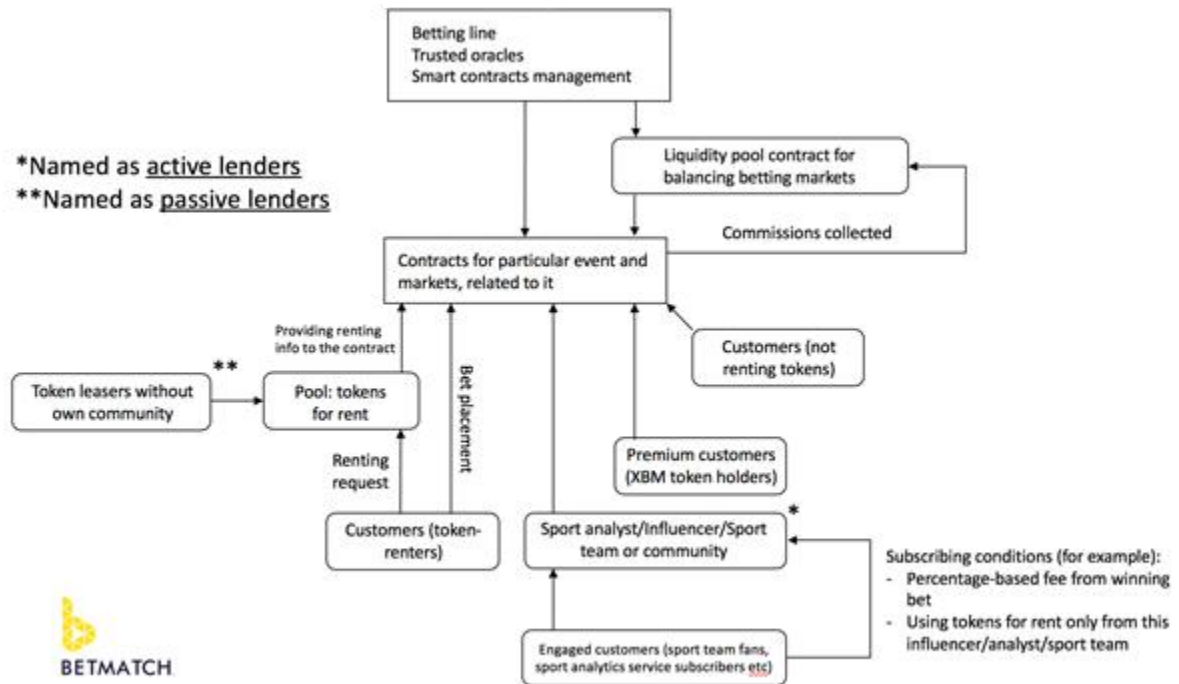
Active Delegates

Active leasing of tokens implies that the token owner, or delegate, somehow attracts the target community to himself. It can be assumed that this will be done by generating valuable content, for example sports analytics, recommendations on rates, and more. Generating content, the delegate becomes a unique service provider and players can subscribe to him for the purpose of using his information. In this case, the players can use the delegate's tokens for their bets. The delegate earns from all bets. Unlike the automatic rental of tokens, the delegate's entire community uses only his tokens to save commissions on bets placed.

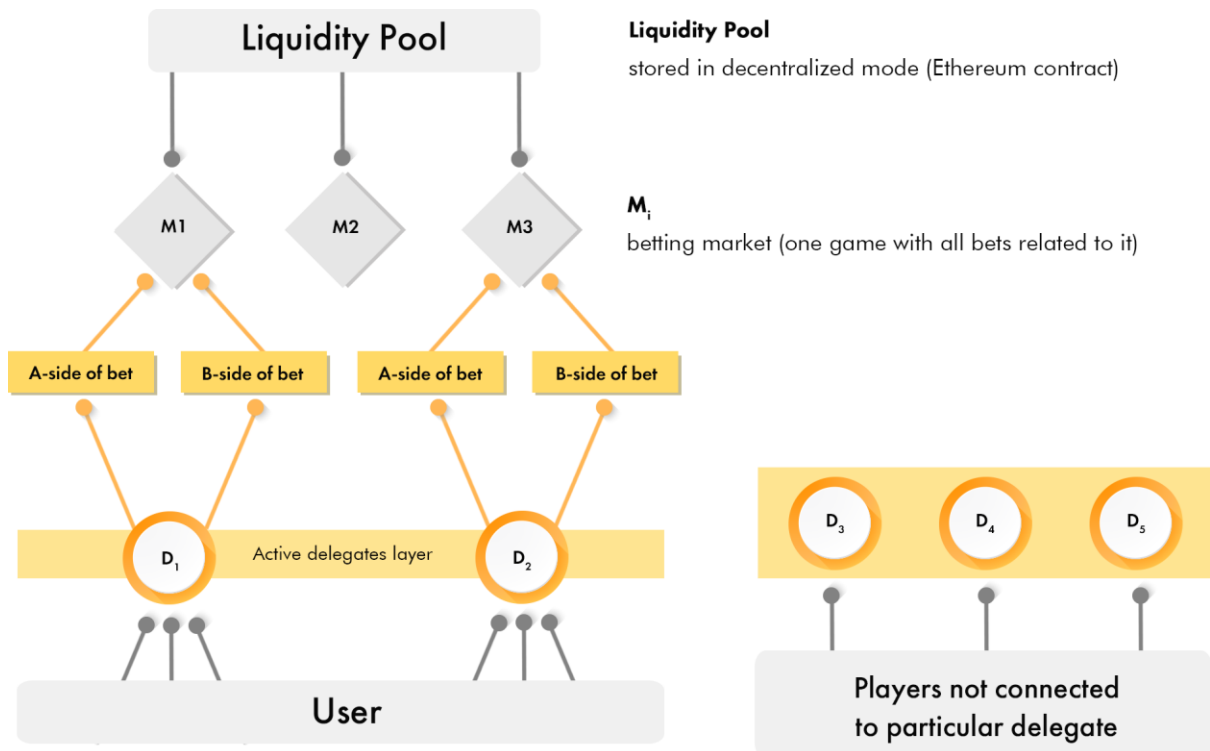
An active delegate can derive revenue when working with Betmatch in the following way:

1. Provide your community with tokens for bets. The resale of their share of commissions in the system leads to income of the turnover of their own community
2. The fee from the community or a part of it (for example, those who have access to exclusive content) a percentage of the bet winnings
3. Sale of additional content by subscription

In addition, the active delegate receives the betting statistics of all players using his tokens for their bets in his personal statistics. This statistic is publicly announced and ranked. The Top-100 most active members will be remunerated from the system's profits. Simple overview of delegate-based system is presented below:



Picture 8



Picture 9



Thus, within the framework of discounts on the commissions within the system, the token is classified as a discount token. A part of the earnings opportunities is open to the holders of tokens by leasing them to their community (or the overall community in general), the percentage of commissions that are given, coupled with the work of attracting the personal community (content, analysis, and more) and working for the benefit of the system (attraction and retention of players).

General Rules

Betmatch customer rules are elementary:

1. Each customer can bet using his Ethereum address and all bets and their results are tracked. He can eventually change his address and even place every new bet using a new address.
2. Each customer who holds tokens to receive commission-free betting needs to hold the tokens until the event is completed and the bet is paid out. The system will freeze those tokens for the duration of each bet/event.

Social Betting Network

The social betting network will eventually be constructed by the users themselves. Every customer can select one or multiple other customers to whom he is subscribed. Through a subscription, the customer receives a service which can include sports analytics, XBM tokens in the lending mode, or any other functions such as premium content, analytics, or more. Each subscription-seller can define his own rules - from free subscriptions up to a profit share from every successful bet of all players who are subscribed to him. One function even allows the service provider to collect all or part of his subscribers' bet volume and add them to his own statistics. There are no restrictions to subscription rules as Betmatch aims to make a very competitive social betting environment.

Thus, it is clear to see that Betmatch is helping promote the formation of a social network based on connections between customers.



Mathematics behind token model

In this part a brief introduction to mathematical basis of token mechanics will be outlined. Detailed information can be found in the “Token Paper”. This model can be classified as further development of the excellent pioneer ideas presented in documentation to SweetBridge Protocol⁹.

Let **TFREE** be the number of tokens required to be frozen in order to be eligible to place a unit-size bet (0.01 ETH) without commissions. Also, let β be the share of the discount (the percentage of all rates can be placed without paying commissions).

$$\text{Company revenue} = (1 - \frac{1}{\beta}) * 100\%$$

The formula for calculating the **TFREE** (the number of tokens required for the minimum commission-free rate) is as follows:

$$\text{TFREE} = \beta \cdot \text{TAXA}, \text{ for an arbitrary bet amount } (y) \quad \text{TFREE}_y = y \cdot \beta \cdot \text{TAXA}$$

Thus, **TFREE** is a function of the total amount of the rate in the system (taken into account the minimum number of rates) and already frozen tokens. The system calculates the desired share relative to the amount of the bet and all bets in the system. When $\beta = 2$, this mathematics will allow system users to save $\sim 50\%$ of all commissions.

The main consequence of this is that during the growth of turnover at the rates, the number of free bets, based on each token, will gradually increase. In addition, it is obvious that owners of large amounts of tokens have a greater chance of using their tokens per unit of time with an honest algorithm for random selection of tokens for rent.

Rented tokens allow you to save 2.5% of the commission within the line and 3% for withdrawal, half of these savings being transferred as a reward to the token owner for renting, and the second half remaining for player.

For example, if a player's bet is 1 ETH, and a factor of 2, then using tokens, the no-commission rate will bring the player 2.05ETH, while without tokens it would bring 1.94 (3% withdrawal fee was taken into account). Thus, the savings will be $2.05 - 1.94 = 0.11$ ETH, of



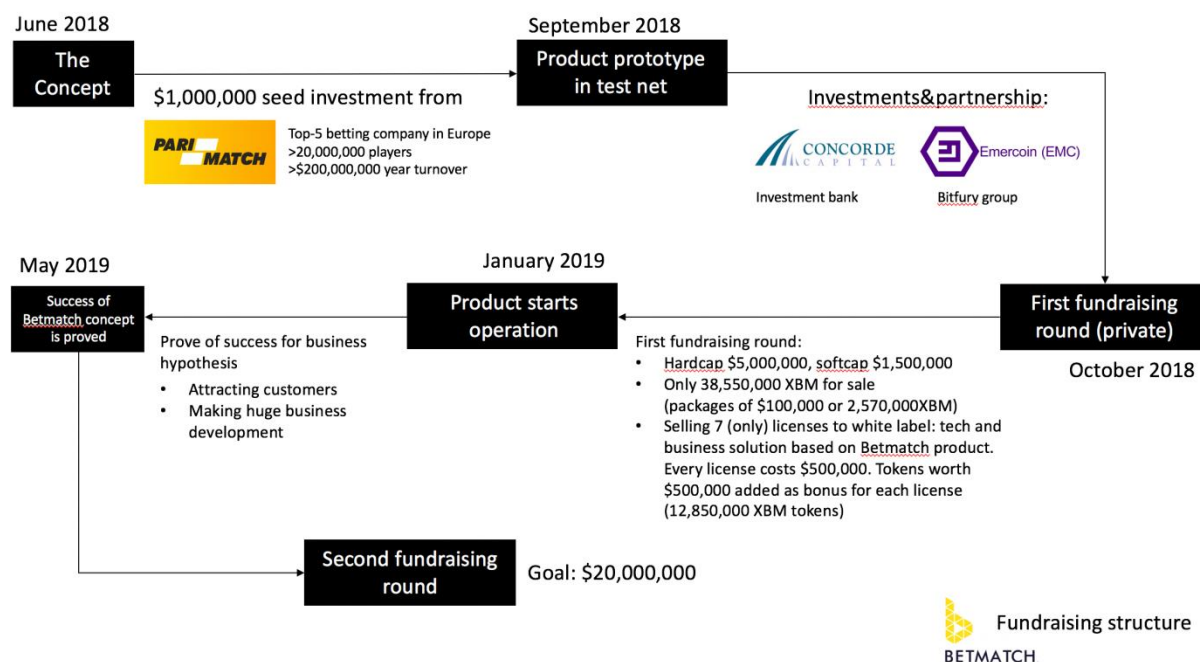
which 0.055ETH was received by the token owner and the same amount was received by the player.



Betmatch Token Generation Event

Fundraising structure

Betmatch will conduct TGE fundraising in 2 stages. The process of attracting funds to the company, starting from its foundation, is illustrated in the scheme:



General information on the issue of Betmatch tokens [XBM]:

| Token Name | Token Betmatch |
|------------------------|-------------------|
| Tokens for sale | 500 000 000 (50%) |
| XBM Strategic Reserve* | 350 000 000 (35%) |
| Community/Airdrops | 20 000 000 (2%) |
| Advisors & Services | 50 000 000 (5%) |
| Management Team** | 80 000 000 (8%) |

Table 2



* The XBM Strategic Reserve will be frozen for a period of not less than one year or when the platform reaches 1 000 000 players, whichever comes first.

** The token allocation for the management team will be frozen for a period of not less than one year. Tokens will be used as mechanism to provide incentives to the existing management team as well as new team members or partners who will join the Betmatch team in the future.

Advisors & Services category tokens will be frozen for 6 months, and can be used for renting within the Betmatch service.

First stage of raising funds

The purpose of the stage: 5.000.000 USD. The funds are raised through the sale of 7 licenses for launching a technical white label solution of a decentralized betting service after the completion of the development of Betmatch. The cost of each license is \$ 500,000, a bonus of each license is a set of tokens for the same amount. Tokens are frozen for 6 months, after that they can be used for leasing to players. The sale of tokens earlier than 18 months from the moment of their distribution entails the loss of the license option. The remaining \$ 1,500,000 is planned to be raised through the sale of tokens with a freezing condition for 6 months.

In total, during the first stage, investors will receive 128,500,000 XBM tokens.

The second stage of raising funds

The second stage of raising funds will be launched after the successful launch of the product in a full-fledged operating mode and testing the market hypothesis about the product. At the second stage, it is planned to raise USD 20 million through the sale of tokens.

All unsold tokens (out of the originally planned 500,000,000 XBM) will be burned after the results of two stages.

Thus, at the first stage, tokens are sold with freezing for 6 months and further use in the product, and the second stage of placement is carried out after proving that the concept is working under market conditions and attracting the first user base. Team tokens are frozen



for a year, advisors & services for 6 months, and issuance of tokens to the community is planned only at a rate of 2% and will be held as a bonus program for a deposit. Such a strategy of placing tokens on the market eliminates the emergence of a large mass of tokens on the market that cannot be used due to the inoperability of the product and serves as a preventive measure against the risks of a significant drop in the price of the token due to the volatility of the cryptographic market.

Use of funds

Funds raised during the TGE will be used as follows:

Launch of a working product (funds from the first stage of attracting investment are used)

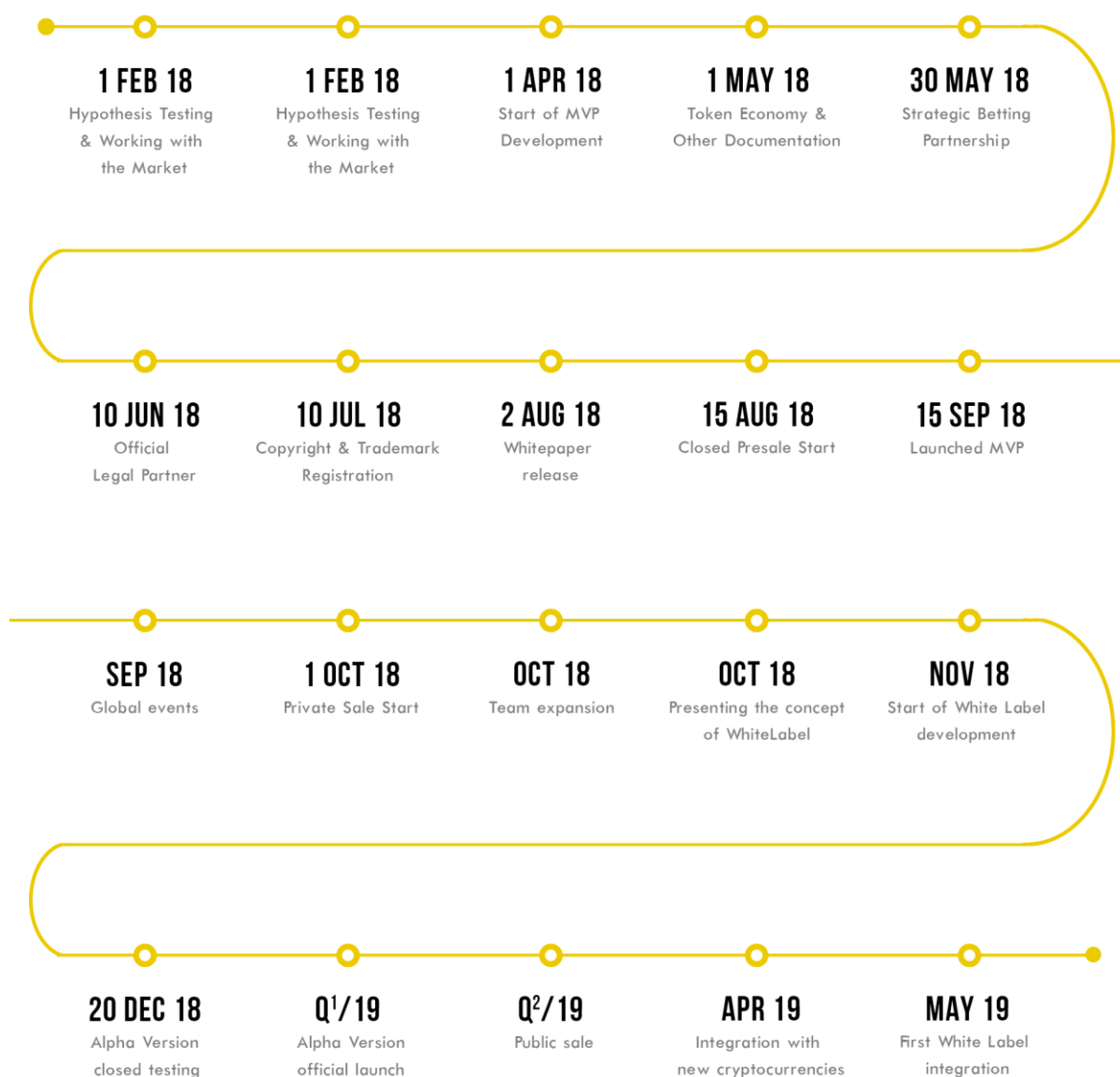
| | |
|-----------------------|--------------|
| Technical Development | \$ 1 650 000 |
| Legal | \$ 350 000 |
| Betting Liquidity | \$ 1 750 000 |
| Marketing | \$ 1 250 000 |

Table 3

The second stage of attracting investments, which will be carried out after the launch of a working product, is aimed at scaling up the project, replenishing the liquidity pool, large-scale marketing and business development. An exact table of expenses will be presented before the second stage.



Roadmap



Picture 10



Management Team/Advisors



IVAN CHEBOTAEV

CEO (Chief Executive Officer)

<https://www.linkedin.com/in/chebotaev/>

The Founder of Logisee Company and Managing Partner of Alter Service Company. His specialization covers such areas of business as marketing, strategy, finance, business analysis and more. But since the very childhood, he has been passionate about technology and innovations. Such passion to the cutting-edge technology has led him to the creation of his own blockchain targeted company that provide blockchain instruments for betting businesses.



RAPHAEL SPANNOCCHI

CTO (Chief Technical Officer)

<https://www.linkedin.com/in/raphael-spannocchi/>

Raphael started developing at Austria's state owned export guarantee bank OeKB. He started his own Linux server there in '93. To the amusement of his peers, he went on to work as a freelancer for ORF ON, the website of Austria's state broadcaster where he developed an object publisher in Java. In 2013 he started work on a Bitcoin FPGA miner and in 2017 wrote the whitepaper for bitcoinClean and helped in the development of Circle.one and CryptoCreditCoin.



WALTER KOMAREK

CIO

<https://www.linkedin.com/in/walterkomarek/>

Co-founder of INK, Angel Investor, Former Founder at Forbestelecom. Being a respected figure in the European telecom market, Walter Komarek is CEO at Angel Investment and a Former Founder at Forbestelecom (the largest Maltese telecom company). Walter Komarek is engaged in telecom, new technologies and blockchain startups. Having graduated from the University of Salzburg, Walter Komarek has proficient expertise in business strategy and business development.



VASILY SUMANOV

CRO (Chief Research Officer)

<https://www.linkedin.com/in/vasilysumanov/>

Vasily Sumanov is a researcher in the field of post-industrial economy and blockchain with strong academic background in tech and engineering. Introduced to crypto industry back in 2013 as a miner running a big scale GPU farm, he now has built solid expertise in trading cryptocurrencies and asset management, designing token economy, creating business architecture and financial models for blockchain-based companies. At the moment Vasily is working as Chief Research Officer in Betmatch, Estonian blockchain startup aimed to establish convenient, transparent and secure blockchain solution for bookmakers to serve players and companies around the globe.



BERNANDO BRITES

HP (Head of Partnership)

<https://www.linkedin.com/in/bebrites/>

Since his student years, Bernardo has mastered the tools of marketing, communications and design. From 2017, he began working with blockchain and cryptocurrency platforms and projects on working aspects. His experience also includes building national-level partnerships, strategic marketing, business communications, and business development in the financial sector.



MARKUS HUBER

COO

Serial Entrepreneur with 20+ years of experience. After graduating the University of Vienna in Philosophy and Political Science he worked as political strategist and chief strategist of Austrian Broadcast Corporation ORF. Markus devoted four years at Bwin, the world's leading name in online betting and real money gaming, where he was co-responsible for international business development. Markus is Growth Partner of Speedinvest Digital East, a new fund of Speedinvest, a family of successful early-stage European venture funds.



MARIO KRUPA

CSO

Mario Krupa has been building up Security Companies as a founder, shareholder and CEO for 13 years already. His main companies include Mario Krupa GmbH, Modern Protect GmbH and EPO-Euro-Personen-und Objektschutz. In 2016, he became engaged in cryptocurrencies and started working with startup projects, that use blockchain technology. In addition, he is highly experienced in management for projects security in many countries, most of which are focused on anti-piracy, close protection, investigation in many countries.



THIAGO CESAR

ADVISOR

<https://www.linkedin.com/in/thiacesar/>

He is one of the biggest names in Cryptocurrency and Blockchain in Brazil and on the Swiss Crypto valley, Zug. CEO of Brazil's biggest OTC trading desk - Bit.One. He has spoken at EuroFinance Barcelona, Eurofinance London, Next Money, Oxford University, George Washington University, Innovation Pay - Brazil's biggest payment conference and Eurofinance Geneva and shared stage with big names in the cryptomarket.



MAX PRASOLOV

ADVISOR

Maksym Prasolov is a serial entrepreneur and venture investor in the technological companies in AI, AR, CGI, blockchain, drones and robotics since 2012. He brings his expertise of investor relations and brand development to capital markets.



ILIA DUBINSKIY

STRATEGIC AND INVESTMENT ADVISOR

Venture investor and serial entrepreneur with more than 25 years of experience. Currently a partner of Speedinvest, a leading European seed fund. Before joining Speedinvest, created and directed Center for Entrepreneurship and Innovation of Skolkovo Institute of Science and Technology and served as director of Energy Cluster of Skolkovo Foundation. Prior to that, was a partner of two venture funds, founder and CEO of several startups, led business development in Telecom, Technology and Media in CEE for International Finance Corporation. Ilia started his career as a consultant, providing technological, strategic and investment consultation to major corporate clients in retail, banking, manufacturing and telecommunications in the USA and Europe. Ilia is a graduate of MIT (PhD) and Moscow Institute of Physics and Technology (MSc).



SHAHAR ATTIAS

ADVISOR

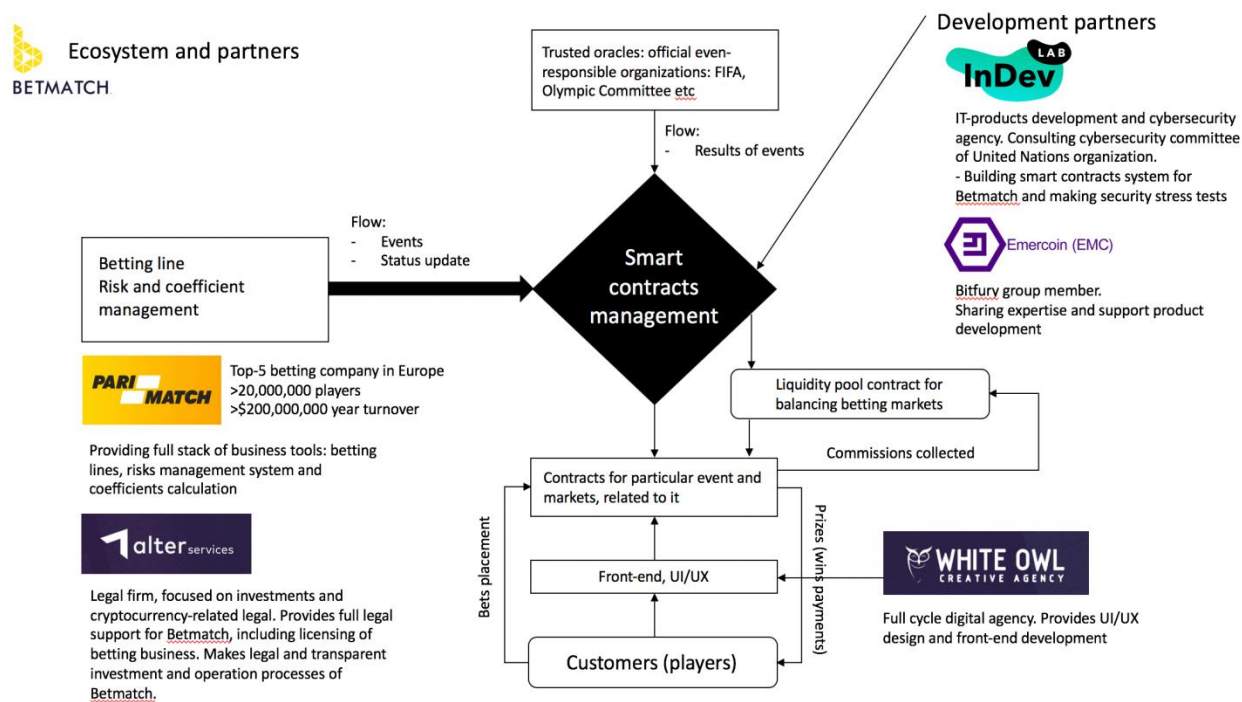
<https://www.linkedin.com/in/igaming/>

Globally recognized iGaming expert, with 16+ years of industry experience, a frequent speaker at leading events (iCE, EiG, LAC/BAC, iGAsia, RGW, Connect16), and the founder and CEO of Hybrid Interaction Ltd., the premier online gaming consulting firm. Shahar has a deep understanding of all vertical-specific KPI's in the gambling industry including Casino, Poker, Sports Betting, Lottery as well as Social/Mobile/Skill and Daily Fantasy Sports. He also has extensive experience in the Financial Trading industry, including Forex and Binary Options.



Betmatch Partners

The participation and functions of partners in the Betmatch ecosystem are presented in the diagram:



The schematic diagram of the Betmatch architecture is as follows



Conclusion

Betmatch has been designed to be a blockchain solution for bookmakers by RevelDevelopment that seamlessly integrates blockchain-based betting with a social betting network. Because the platform is focused on and rewards community development and overall harmony between players, it is designed to grow organically with an increasing user base and higher betting turnover. Betmatch is being carefully built around the three pillars of success in the betting industry: liquidity, access to appropriate coefficients for betting lines, and an organic user acquisition strategy. By further integrating the use of cryptocurrencies, player-facing and house-facing problems are greatly minimized, and, therefore, the entire betting process is streamlined and becomes completely trustworthy.



Appendix

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Betmatch is incorporated in the Republic of Estonia and is the official entity which is developing and owns the Betmatch protocol and all related technologies and companies. Betmatch's objective is to become a gaming technology and gaming services company.

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Legal

Legal Opinion

Betmatch has conducted a thorough legal analysis of the XBM token and its functionality as it applies to the Betmatch ecosystem. The token has been designed from the ground up as a proof-of-stake token that has significant utility within the Betmatch platform.

XBM tokens are only being sold in exchange for Ethereum. Because cryptocurrencies may not necessarily constitute a viable consideration of interest in lieu of the obtained interests attached to the token, XBM does not violate the first rule of the Howey Test.

Even though purchasers of XBM are granted equal rights, each purchaser may exercise those rights differently according to the skills of each token holder. As such, token holders will not generate equal amounts of money (if any) as compared to others. Thus, the returns of one player cannot correlate to the results of another. In regards to common enterprise, XBM does not violate the second rule of the Howey Test.

There are no fixed expectations of profits for holders of XBM. XBM has a multitude of uses within the platform and has no value outside the Betmatch platform. Furthermore, not all XBM holders are granted the right to a share of profits. Thus, XBM does not violate the third rule of the Howey Test.

Finally, XBM allows holders the right to take part in the Betmatch platform to make bets or to participate in the social betting network. The efforts of third parties are only profitable for XBM



holders in the case where they share their tokens in exchange for lower commissions. This may violate the fourth rule of the Howey Test, but only if taking a relaxed view of the token function.

To validate its findings, Betmatch appointed XXX (NAME OF LEGAL FIRM) to act as an independent legal counsel. XXX found that since “not all elements of the Howey Test [are] met, in our view, XBM Token may not be considered a security instrument”.

In this regard, residents of the United States, United Kingdom, China, and Canada should be aware that because the offer of sale of XBM tokens does not represent the sale of a security, the offer or sale of XBM tokens is not registered in accordance with security laws of each of the above countries. Buyers of XBM tokens should complete their own due diligence as to whether the purchase of tokens are legal within their own jurisdiction.

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9. Indemnification. You agree to indemnify, exculpate and hold the Company, its representatives, affiliates, employees and service providers harmless from any claim or demand permissible by law arising out of or related to the use of the Services, including (but not limited to) any breach by you of these Terms or violation of any law, rule, or rights of a third party. You agree to pay for any legal fees or other costs that were incurred by the Company or any other indemnified parties as a result of your actions.



10. Disclaimer of Warrants and Guarantees. The Company does not guarantee any level of performance or the continued, uninterrupted availability of our Services. We do not guarantee the accuracy of any information provided on the Website. We hereby disclaim all warranties or guarantees that are not expressly made in these Terms.

11. Risks. You understand that Digital Assets, blockchain technology Ethereum, Ether, Bitcoin and other associated and related technologies are new and untested and are outside of the Company's exclusive control and adverse changes in market forces or the technology, broadly construed, which will excuse the Company's performance under this agreement.

In addition to the above mentioned, you also acknowledge that you have been warned of the following risks, associated with the Website, the Digital Assets, the XBMs and other relevant technologies mentioned herein.

(a) Legal risks regarding securities regulations

There is a risk that in some jurisdictions the XBMs and other Digital Assets might be considered to be a security, or that it might be considered to be a security in the future. The Company does not give warranties or guarantees that XBM tokens are not a security in all jurisdictions. Each user of XBM tokens shall bear its own legal or financial consequences of XBM tokens being considered a security in their relevant jurisdiction. Every user is bound to check if acquisition and disposal of XBM tokens is legal in his jurisdiction, and by accepting these Terms each user undertakes not to use XBM tokens, should their use not be legal in the relevant jurisdiction. Acquiring cryptographic tokens in possession and exchanging them for other cryptographic tokens will most likely continue to be scrutinized by various regulatory bodies around the world, which has so far given mixed reactions and regulatory impact. The legal ability of the Company to provide XBM tokens in some jurisdictions may be eliminated by the future regulation or legal actions. In the event it turns out that XBM tokens are not legal in certain jurisdiction with a high degree certainty, the Company will either a) cease operations in that jurisdiction, or b) adjust XBM tokens in a way to comply with the regulation should that be possible and viable.

(b) Risks associated with Ethereum

XBM tokens are based on Ethereum. As such, any malfunction, unintended or unexpected



functioning of the Ethereum protocol may cause the XBM tokens to malfunction or function in an unexpected or unintended manner. Ether, the native unit of the Ethereum account may itself lose the value in ways similar to XBM tokens, and also in other ways. More information about the Ethereum is available at <http://www.ethereum.org>

c) Risks associated with users' credentials

Any third party that gains access to the user's login credentials for the Website, the platform or private keys may be able to handle the user's Digital Assets and XBMs. To minimize this risk, the purchaser should guard against unauthorized access to their electronic devices. The Company also provides the advanced security techniques, such as two-factor authentication.

(d) Risk of unfavorable regulatory action in one or more jurisdictions

Blockchain technologies have been the subject of scrutiny by various regulatory bodies around the world. The functioning of the Ethereum network and associated blockchains and Digital Assets and XBM tokens could be impacted by one or more regulatory inquiries or actions, including (but not limited to) restrictions on the use or possession of digital tokens like XBM tokens, which could impede or limit their existence, permissibility of their use and possession, and their value.

(e) Risk of theft and hacking

Hackers or other groups or organizations may attempt to interfere with your Third-party Wallet, the Website or the access to XBM tokens and Digital Assets in any way, including, inter alia, the denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks.

(f) Risk of security weaknesses in the Website, Ecosystem and XBM tokens source code or any associated software and/or infrastructure.

There is a risk that the Website and XBM tokens may unintentionally include weaknesses or bugs in the source code interfering with the use of or causing the loss of XBM tokens.

(g) Risk of weaknesses or exploitable breaches in the field of cryptography.

Advances in cryptography, or technical advances such as the development of quantum



computers, could present risks to cryptocurrencies, Ethereum, XBM tokens, Company Ecosystem, which could result in the theft or loss of XBM tokens.

(h) Risk of mining attacks

As with other decentralized cryptocurrencies, the Ethereum blockchain, which is used for the XBM tokens, is susceptible to mining attacks, including (but not limited to) double-spend attacks, majority mining power attacks, “selfish-mining” attacks, and race condition attacks. Any successful attacks pose a risk to the XBM tokens, the expected proper execution and sequencing of XBM tokens, and the expected proper execution and sequencing of Ethereum contract computations in general. Despite the efforts of the Company and Ethereum Foundation, the risk of known or new mining attacks exists. Mining Attacks, as described above, may also target other blockchain networks, with which the XBM tokens interact and consequently the XBM tokens may be impacted also in that way to the extent, described above.

(i) Risk of low or no liquidity

Even though currently there are online services available, which enable possibility of exchange of cryptographic tokens between themselves, and also some of them enable exchange of cryptographic tokens for fiat money, there are no warranties and/or guarantees given that XBM tokens will be listed or made available for exchange for other cryptographic tokens and/or fiat money, and no guarantees are given with the capacity (volume) of such potential exchange. It shall be explicitly cautioned that such exchange, if any, might be subject to poorly-understood regulatory oversight, and the Company does not give any warranties regarding any exchange services providers. Users might be exposed to fraud and failure. Users may not be able to acquire or dispose of their XBM tokens due to lack of liquidity at any given time.

(j) Risk of loss of value

Value of XBM tokens may fluctuate and their users might suffer loss in value of such acquired tokens. There might be different reasons that would cause unfavorable fluctuations of the value of the XBM tokens.



(k) Risk of uninsured losses

XBM tokens are entirely uninsured, unlike bank accounts or accounts at some other financial institutions.

(l) Risk of malfunction in the Ethereum network or any other blockchain

It is possible that the Ethereum network or any other network, with which the XBM tokens are interacting, malfunctions in an unfavorable way, including (but not limited to) one that results in the loss of XBM tokens.

(m) Internet transmission risks

You acknowledge that there are risks associated with using the Ecosystem and XBM tokens including (but not limited to) the failure of hardware, software, and Internet connections. You acknowledge that the Company shall not be responsible for any communication failures, disruptions, errors, distortions or delays you may experience when using the Website and XBM tokens, howsoever caused.

(n) Unanticipated risks

Cryptocurrencies and blockchains are new and untested technology. In addition to the risks set forth herein, there are risks that the Company cannot foresee and it is unreasonable to believe that such risks could have been foreseeable. Risks may further materialize as unanticipated.

12. Applicable Law and Venue. The validity, interpretation, construction and performance of this Terms, and all acts and transactions pursuant hereto, and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Republic of Estonia, without giving effect to principles of conflicts of law. These Terms, Token Sales Terms and Privacy Policy are a single set of rules, which regulate the relationships between the Purchaser and the Company. You cannot accept it the partially, this set of rules should be accepted in full. Should any conflict between these Terms, Privacy Policy and Token Sales Terms occur, the Token Sales Terms shall prevail.



13. Intellectual property. Company retain all right, title and interest in all of our brand names, graphics, user interface design, text, logos, images information and data (“Retained Betmatch IP”), whether or not patentable, copyrightable or protectable in trademark, and any trademarks, copyrights or patents based thereon. You may not use any of the Retained Betmatch IP for any reason, except with our express, prior, written consent.

These Terms shall not be understood and interpreted in a way that they would mean the assignment of intellectual property rights over Retained Betmatch IP being subject to any open source license, unless it is explicitly defined so in these Terms.

Retained Betmatch IP is the property of the Company and is protected by copyright, trademark and other laws that protect intellectual property and proprietary rights.

14. Arbitration. Any Dispute arising from or related to these Terms is personal to you and the Company and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a Dispute as a representative of another individual or group of individuals. Furthermore, a Dispute cannot be brought as a class or other type of representative action, whether within or outside the arbitration, or on behalf of any other individual or group of individuals. To the extent permitted by applicable laws, all Disputes arising in connection with these Terms, or further agreements resulting therefrom, shall be settled and finally resolved by the Arbitration Court of the Estonian Chamber of Commerce and Industry in accordance with the Code of Civil Procedure of Estonia for the time being in force, these rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be Estonia. The Tribunal shall consist of three (3) arbitrator(s). The language of the arbitration shall be English. Otherwise, the jurisdiction for arbitration must be determined in accordance with applicable law.

15. No Class Arbitration, Class Action or Representative Actions. Any dispute arising out of or related to this Policy is personal to you and the Company and will be resolved solely through individual arbitration and will not be brought as a class arbitration, class action or any other



type of representative proceeding. There will be no class arbitration or arbitration in which an individual attempts to resolve a dispute as a representative of another individual or group of individuals. Furthermore, a dispute cannot be brought as a class or other type of representative action, whether within or outside of arbitration, or on behalf of any other individual or group of individuals. The dispute shall be resolved on the basis of documentary evidence only.

16. Severability. In the event any provision of this Policy is found to be invalid, illegal, or unenforceable the remaining provisions of this Policy shall nevertheless be binding you with the same effect as though the void and unenforceable part had been severed and deleted.

17. Change of Policy. Company may amend this Policy at any time and in its own discretion by posting an updated version on Website. The updated version becomes effective at the time of posting. It is your responsibility to check updates regularly.

Act of God.

The Company's performance under these Terms shall be excused if the failure of such performance is caused by the forces beyond its reasonable control. This includes (but is not limited to) acts of God, acts of any government, war or civil unrest, severe weather, fire, natural disasters, political embargos, terrorism, power or equipment failure, industrial or labor disputes or controversies, acts of any third party, or blockchain failures.

Change of Terms.

The Company may amend these Terms at any time and in its own discretion by posting an updated version on Website. The updated version becomes effective at the time of posting. It is your responsibility to check updates regularly.



Privacy Policy

This privacy policy (“**Policy**”) explains how Betmatch Company (“Company”) or other parties authorized by the Company (“**Company**”, “**us**” or “**we**”) collect, store, use and protect personal information, when you visit and/or use the website <https://betmatch.io> (including all and any subdomains, collectively, the “**Website**”), services located at or provided by the Website (“**Services**”) or when you interact with the Company in another way.

Website is maintained by **RevelDevelopment OU**, a Private limited company registered under the laws of the Republic of Estonia, located at **Harju maakond, Tallinn, Kesklinna linnaosa, Tuukri tn 19-tuba 315, 10152**.

This Policy shall enter into force as of the moment you first visit the Website or use the Services. Should you disagree with any provision of this Policy you shall cease using the Website or any Services immediately. The content of the Website and the websites that are accessible from hyperlinks on the Website, do not form an integral part of this Policy. If you are using Services on behalf of any entity, you are authorized to accept this Policy on such entity’s behalf and that such entity will be responsible for any damage arising out of a breach of this Policy by you or any other employee or agent of such entity (in such event references to “**you**” in this Policy refer to you and such entity, jointly).

Your access to and/or use of the Services is conditioned on your acceptance of and compliance with this Policy. This Policy applies to all visitors, users and others who access or use the Services.

We will provide notice of any amendment to this Policy by posting any revised document to the Website and updating the “Last updated” field above accordingly or by any other method we deem appropriate. We are not obligated to provide notice in any other method beyond these. Any change to this Policy will be effective immediately upon such notice and apply to any ongoing or subsequent use of the Website and Services.

By visiting the Website and/or using the Services, you agree to be bound by this Policy. If you disagree with any part, of this Policy then you may not access the Website and/or use the Services.



1. Collection of Data and Information. When you are using the Website and/or Services, you may provide your personal data and information voluntarily, including, but not limited to, your name, residential address, email address, ID and digital wallet address or bank account information, depending on your method of payment, IP address; device information including, but not limited to, identifier, name, and type, operating system, mobile network information and standard web log information, such as your browser type, and the pages you accessed on our Website as well as other information that may be collected by the Company's and/or third parties' services implemented on the Website.

In addition, you may provide some information involuntarily such as any information sent to the Company by your computer, phone or other access device. This information may include your IP address, device information, including, but not limited to, identifier, name and type, operating system, location, mobile network information and standard web log information, such as your browser type, traffic to and from Website and the pages you accessed on the Website. In addition, the Company may collect personal information from or about you in other ways such as your interaction with customer support or contractual relationships with the Company. The Company is not obligated to collect any of your information and may do it at its own discretion.

2. Setting up and Using an Account. In order to use the Website and/or Services you may be required to set up a personal account or fill in a form and provide your personal data and information such as name and email address to secure your access to your account and any other information as may be required by the Company in order to set up a personal account. The Company may require you to provide additional information to verify your identity, address, source of funds or any other information in your account, such as your date of birth, copy of ID, citizenship, country of residence, and other information directly or via a third party. You are responsible for the relevance and validity of the information to be provided when registering an account. The Company is not obligated to verify your identity or any other personal information and may do it at its own discretion.

You can review your personal information inside of your account. You can edit your personal information or delete your account by contacting the Company. If you cancel or delete your account, the Company may keep your information in its database. This may be necessary to deter fraud by ensuring that a person who tries to commit fraud will not be able to avoid



detection simply by closing his/her account and opening a new account. However, if you close your account, your personal identifiable information will not be used by the Company for any further purposes, nor sold or shared with the third parties, except as necessary to prevent fraud or money laundering and assist law enforcement in accordance with this Policy. The Company has the right to enter into relationship with anyone on special conditions (including commercial conditions), which may be different from those stipulated by this Policy.

3. Use of Cookies. The Company may place small data files (cookies) or pixel tags on your computer or other device when you access the Website. The Company may use these technologies to recognize you as a returning user, customize its services, content and advertising, evaluate marketing activities, and collect information about your computer or other access device. The Company may use various cookies, including, but not limited to, session cookies, persistent cookies, and “flash cookies”. The Company may codify its cookies to limit access of the third parties to the received information. You can independently control the use of cookies from your browser or browser add-ons; however, blocking or disabling the Company’s cookies may interfere with your use of the Website. The Company is not obligated to place cookies on your computer and may do it at its own discretion.

4. Use of Log Files. The Company may use the log files to collect your Internet protocol (IP) addresses, type of browser, Internet Service Provider (ISP), date/time stamp, referring/exit pages, other technical information and number of clicks to analyze your activity on the Website, collect geographic and demographic information, and evaluate content of the Website. Information collected from log files is not personally identifiable. The Company is not obligated to use log files and may do it at its own discretion.

5. Storing, Using, and Sharing Your Data and Information. The Company will store your personal information in its database. The Company may contract third parties to store your personal information. The Company does not sell or rent your personal information to third parties for their marketing purposes without your explicit consent. The Company may use your personal information to customize your use of Website and Services; analyze your activity on



Website, including through third parties such as Google Analytics and alike; evaluate and improve its marketing efforts and for other reasons relevant to your use of Website and Services.

The Company may share your personal information with: (a) third parties who provide services to the Company for storing your personal information, fraud prevention, marketing and technology, services of a sale; such third parties are bound by contracts with confidentiality and non-disclosure clauses and may not use your personal information for any reason other than specified in this Policy; (b) escrow or any other processor of your payment; (c) third parties who provide services to the Company for KYC/AML processes; (d) law enforcement, government officials, or other third parties when the Company is required to provide your personal information by law, subpoena or court order; (e) parent and/or subsidiary and/or affiliated company; (f) third party identification services providers for fraud prevention and to comply with anti-money laundering and know your customer regulations; (g) law enforcement, government officials, or other third parties if (i) we are compelled to do so by a governmental order or by law; or (ii) we believe in good faith that the disclosure of personal Information is necessary to prevent physical harm or financial loss, to report suspected illegal activity or to investigate violations of our terms; (h) other third parties with your consent or direction to do so.

6. Accessing or/and Correcting your Information. In some instances, you may visit our Website to verify and update certain information. If you are not able to update your information on our Website, please contact us. We will use commercially reasonable efforts to accommodate requests to update your information.

7. Objecting an automated decision-making, including profiling. In some instances, you may find that some actions/offers are available for you depending on certain factors accessed by special programs or algorithms implemented into the Website. If it is not clear from this Policy, Token Sales Terms and Terms of Service why that had happened, please contact us. We will use commercially reasonable efforts to accommodate requests to provide you the reason of such decision.



8. Requesting an erasure of data or restriction on processing. In some instances, you may request an erasure of your data or request to restrict its processing. If we do not have clear legal grounds as defined by applicable law not to satisfy your request, we will proceed with it. However, nowadays methods of data processing, in particular using new technologies such as blockchain, may result in impossibility to satisfy your request. You acknowledge that you understand how in particular blockchain technology works and that it may be impossible to amend, delete or restrict to process your data and agree that such cases of new technology use are excluded from the scope of this Policy and our responsibility.

9. International Transfers. The Company and the Website are headquartered in the Republic of Estonia. Please be aware that information you provide to us or that we obtain as a result of your use of the Website may be collected in your country and subsequently transferred to another country in accordance with applicable law. Using the Website and/or Services demonstrates your consent to the processing of information as described in this Policy.

10. Protection of Your Data and Information. Company takes all reasonable security, administrative and technical measures to protect the security of data or information communicated to the Company through Website and Services. However, transmission of data or information over the Internet or other public accessible networks is not secure for one hundred percent. The Company shall not be liable for the security of any data or information you are transmitting over the Internet.

11. Applicable Law and Venue. The validity, interpretation, construction and performance of these Terms, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the Republic of Estonia, without giving effect to principles of conflicts of law. Except for any disputes, claims, suits, actions, causes of action, demands or proceedings (collectively, "Disputes") in which either Party seeks to bring an individual action in small claims tribunals or seeks injunctive or other equitable relief for the alleged unlawful use of intellectual



property, including, without limitation, copyrights, trademarks, trade names, logos, trade secrets or patents, you and the Company (i) waive your and the Company's respective rights to have any and all Disputes arising from or related to this Policy to be resolved in a court, and (ii) waive your and the Company's respective rights to a jury trial. Instead, you and the Company will arbitrate Disputes through binding arbitration (which is the referral of a Dispute to one or more persons charged with reviewing the Dispute and making a final and binding determination to resolve it instead of having the Dispute decided by a judge or jury in court).