



TRUE ITEM OWNERSHIP FOR EVERY GAMER

GAMECREDITS
WHITEPAPER 2020



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GAME CREDITS HISTORY

In February of 2014 GAME Credits (GAME) was one of the very first cryptocurrencies launched and was the first to be focused solely on games. It's primary focus was as a digital currency, used to revolutionize in-game purchases and give game developers a monetization based on the fair-play rules that the technology of blockchain affords.

Another booming segment of the gaming industry at that time came with the emergence of eSports, a form of professional sports competition using video games. The original creators of GAME Credits (then called Gamerscoin) foresaw the continued growth of the eSports sector, and envisioned GAME as a digital currency that could be incorporated into eSports Tournament prize pools and payouts. They were on to something, as it's incredible success continues, with an estimated 38% year over year revenue growth. (Newzoo.com "2018 Global EsSports Market Report")

GAME CREDITS MERGES WITH NOVATOKEN

In April 2020, the NovaToken platform has merged with the GAME Credits network and will move forward under the GAME Credits brand. To facilitate this merger, GAME Credits made its move onto the Ethereum network soon after, to ensure the proper technology stack is in place and ready to fulfill its longtime promise of something more. This move helps GAME Credits to finally realize one of its initial visions, and incorporates a robust eSports platform that includes a suite of NFT-based (non-fungible token) tools that enhance the gaming experience across the board. This also formally ushers in a new era for GAME Credits as the incoming team brings a litany of experience in both the gaming and blockchain space.



NOVATOKEN HISTORY

NovaToken was developed as a blockchain-based platform offering a suite of Smart Contracts and RESTful APIs, providing game developers and gamers powerful tools to enhance the traditional gaming experience.

This large suite of tools enable:

- True digital asset ownership for players.
- Creation and delivery of those assets by developers.
- A means by which to buy, sell and trade those assets via in-game or 3rd party exchanges.
- A robust and fun rewards system incentivizing player interaction and quality developer engagement.
- A means in which to organize trust-less community based tournaments and prize pools.

Built on Ethereum, the NovaToken platform has created a transparent gaming eco-system capable of integrating with any game regardless of whether it is already blockchain based or not. The platform was powered by the native ERC-20 cryptocurrency - NovaToken (NVT). NVT was created as a utility token. It's main utility, or function, providing for the safe and secure transfer of all NFTs across a secure and fast decentralized exchange network, creating a vast interconnected Marketplace. NVT could also be used as a means of transferring assets in affiliated NFT marketplaces, maximizing liquidity and reaching new audiences. This platform makes it easy for games to take advantage of the benefits of these technologies and for players to seamlessly become members of new secondary economies ultimately leading to longer player retention and game life cycles.





MARKET HISTORY

The idea to include elements of trading into gaming was made popular almost 27 years ago with Wizards of the Coast's release of the ever-popular Magic: The Gathering (MTG), the first Trading Card Game (TCG) created by Richard Garfield. The concept included the distribution of various rarity playing cards via randomly packaged "Booster Packs". This was similar to the age-old Baseball Card trading model, but with a game system attached. You could now Collect, Trade and Play with what soon became a huge phenomenon in the physical gaming world. In fact, it became so huge that just a few years later a robust tournament system was created by Skaff Elias. This created a fiercely competitive ranking system and eventually a tour of professional MTG Players, competing for more than 1 Million dollars in prizes each year. Sound familiar? Many would say this is what inspired the Video Game industry's own E-Sports movement.

Fast forward almost 10 years to 2002, with the release of a Digital version of the same game, Magic the Gathering Online (MTGO). Again, a huge hit and using the same economic system of randomness and scarcity. Players could collect, trade and sell their digital magic cards. Cards still retained similar value to those in the physical space, and an online type of currency, a "Ticket" purchased for \$1 directly from within the game, was used to convey this value. Sales of these tickets, arranged outside of the system on sites such as EBay, became prevalent, and still is to this day. That same phenomenon of digital asset scarcity and value was introduced with the advent of Blizzard's immensely popular MMO World of Warcraft. An in-game auction house was created to buy and sell scarce items, such as swords and armor, with in-game "Gold". Again, a huge aftermarket was created, with in-game items and "Gold" selling on Ebay.





However, this new world of digital goods with investment value, seemingly “owned” by the players, became a huge problem in the Video Game industry. Was the problem that players had the freedom to buy, sell and trade their in-game items in a real-world aftermarket? No, the problem was that the players treated these items as if they really owned them. However, actual “control” over these items was not truly theirs. The items still resided within the game world, which resided on game servers that were controlled and maintained by the game developers. What was to happen if a game developer needed to shut down their servers someday, or if the servers were to fail? If players were deemed to have truly “owned” their in-game items, the developers were at risk of being liable to those players for those items.

The solution to that problem was a legal one. Common practice became the legal stance, agreed to in the End User License Agreement (EULA) by players of these digital games, that the in-game items were not in fact owned by the players. Players were simply “licensing” those items for as long as the developer allowed it. Developers were required to take control of any actions that put them at risk, which meant denying players the ability to take control of their own items outside of the game. Players caught selling “Gold” or “Items” on external sites such as Ebay were commonly banned, losing access to all of their hard fought in-game goods, and possibly even access to the game at all.

This continues to be an issue in the traditional gaming space. However, with the advent of Bitcoin, Ethereum and Blockchain technology, solutions arise. There is no doubt that blockchain will have a huge impact on the online gaming industry. But why? With the advent of Ethereum and the ERC-721 Token Protocol, a new type of in-game asset is possible; the Non-Fungible Token (NFT). This allows for the creation of unique blockchain tokens (NFTs), embedded with metadata, the NFT can now evolve throughout it’s lifecycle. Now, the same power of security and control that cryptocurrency provides can be applied to in-game items. Developers can create these NFTs (Let’s call these CARDS), apply their in-game item attributes onto them, and deliver them to their gamers. Those assets now reside within the gamer’s control, on the blockchain.





The developer now provides the means by which the players can use their CARD's, but does not retain control of the item itself. They have a means by which to remove previous liability and provide maximum freedom to their players. The data that describes a given CARD, has now been set free from the confines of a traditional database, and instead becomes a public artifact of the blockchain, allowing players and game developers new freedom and creativity in being part of the game industry.

With these blockchain solutions now available to liberate the gaming industry, new companies begin to arise with a clear vision on how to utilize this opportunity - enter the GAME Credits Platform. Bringing forth a team of dedicated individuals with extensive backgrounds in both gaming and cryptocurrency, the GAME Credits platform creates a suite of features that enhance the traditional gaming experience by introducing the best of blockchain technology. This ushers in a new era of gaming where both the content creators and content users enjoy more freedom and opportunity.

Fun Fact: The infamous Bitcoin Mt. Gox Exchange, created by Jed McCaleb, was originally created as a 3rd party exchange for MtGO cards. Hence the website address name MtGOx.



THE GAME CREDITS PLATFORM

Utilizing a robust suite of Smart Contracts and RESTful APIs, GAME Credits delivers a powerful platform comprised of the GAME Mint, GAME Exchange, GAME Rewards and GAME Tournament Systems.

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GAME CREDITS (GAME)

GAME Credits (GAME) are ERC-20 tokens (Tokens created on the Ethereum Blockchain Network) used to power the GAME Credits Platform.

- Whether in-game, in the GAME Credits Marketplace or on a 3rd party site utilizing the suite of decentralized Smart Contracts, GAME can be used across the entire GAME Credits network to create, transfer, buy and sell any digital asset.
- Holding GAME entitles players to earn more in-game items when participating in the GAME Rewards Portal by locking GAME into any of their favorite games or developers. The more GAME locked into a game, the more in-game items, tournament tickets, booster packs, Loyalty Points and other unique NFTs they will be rewarded with over time. The more GAME that is staked on a developers game, the more that developer shares in transaction fees across the network.
- GAME can be used by players or communities to host, enter and payout tournaments.
- GAME can be used to purchase digital assets from affiliated NFT marketplaces, such as OpenSea, or individual community contributor-built CARD shops.
- Developers can opt to utilize GAME as their in-game currency, providing a use case for the GAME they receive from network transfer fees, as well as creating additional onboarding methods for their players.

NOTE: GAME is a utility token for use on the GAME Credits Platform and affiliated NFT marketplaces, and is not a security. It should only be purchased by those who intend to use the GAME Credits functionality. Do not purchase GAME for speculation purposes.





GAME MINT (DELIVERY PHASE 1.0)

The creation and transfer of digital items (NFT's) on the Ethereum blockchain has become very costly due to high transaction fees on the Ethereum network. This process can also take time due to slower network effects on the Ethereum Mainnet. In addition to having a simple and user-friendly interface, GAME Mint alleviates both the problems of cost and time.



Create and Deliver digital assets at a lower cost

GAME Mint is a tool that creates and delivers these items at a fraction of the cost, as creation and delivery fees are paid using GAME.*

Create and Deliver digital assets fast

GAME Mint takes advantage of faster transaction speeds running on the GAME Credits SKALE Network.

Developers continue to earn on NFTs post-distribution

In addition to the lower cost to create game assets, Developers who use GAME Mint will enjoy earning commissions on those digital items each and every time a player sells them in the decentralized GAME Exchange System.

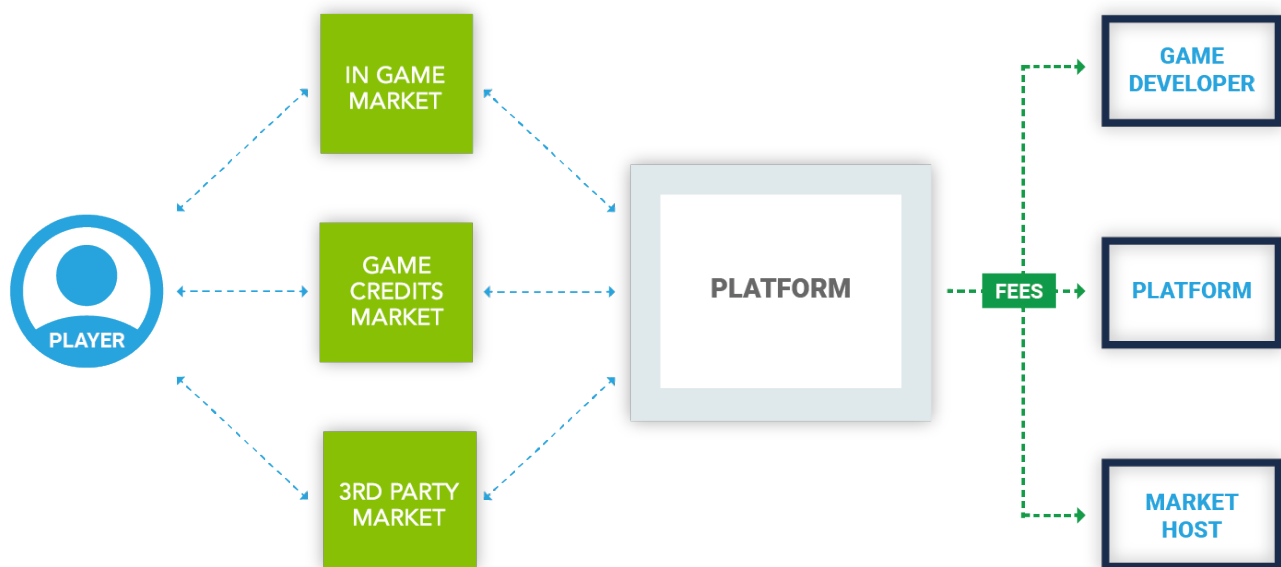
** During the initial stages of platform operation, Developers who are early adopters will enjoy free delivery and creation fees. Creation and Delivery fees will go into effect at a future, undetermined, date.*





GAME EXCHANGE (DELIVERY PHASE 1.0)

As the demand for digital asset ownership grows, so does the requirement for access to secure and scalable spaces to facilitate the transaction of these digital assets. Whether buying, selling or trading, through the use of the GAME Credits RESTful API suite, players will have access to decentralized in-game, GAME Credits or 3rd party Digital Asset Exchanges and NFT Marketplaces. The decentralized Smart Contracts automatically divide the fees for these exchanges to the developers, exchanges and the platform.



In-Game Marketplace

Integrating the GAME Exchange System is a seamless process that requires no blockchain knowledge or experience. Using the GAME Credits suite of RESTful APIs, developers can provide access to an open market of their own NFTs within their game. Every NFT exchanged within the system delivers payouts back to the facilitators, whether it be from a developers own in-game marketplace, the GAME Credits Marketplace or a 3rd party community-controlled marketplace.





GAME Credits Marketplace

Discover, Trade and Play. A one-stop Marketplace, using its own suite of Smart Contracts and APIs, the GAME Credits Marketplace will be a hub for all vetted and approved games in the ecosystem.

3rd Party Community Sites

Whether it be fans of one or more games on the network, business owners seeking new opportunities or perhaps games not yet approved by GAME Credits own marketplace, the freedom provided by the use of GAME Credits decentralized Smart Contracts gives anybody the opportunity to create outside the box.

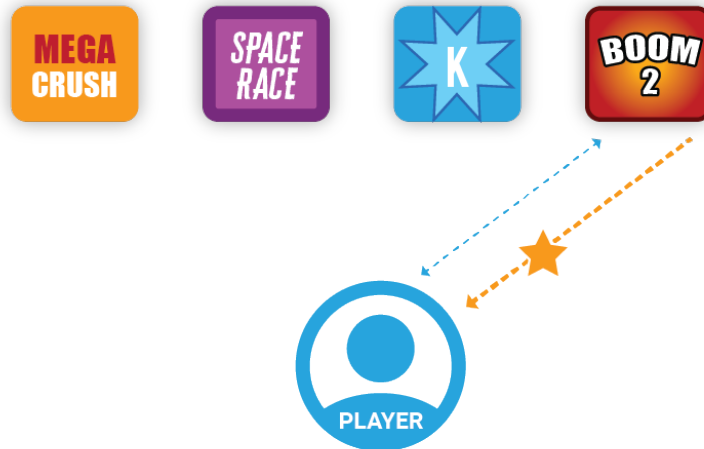
All of these markets share the same data on the blockchain, managed by decentralized Smart Contracts. Those Smart Contracts can be utilized and the on-chain data accessed by the GAME Credits suite of easy-to-use RESTful APIs. This makes putting your game assets on the blockchain simple and inexpensive.





GAME REWARDS (DELIVERY PHASE 1.0)

Owners of GAME Credits (GAME) can use the GAME Rewards Portal to earn digital assets and (GAME) by staking their GAME tokens on any game on the platform. Players lock their GAME Credits Tokens (GAME) into games they are loyal to and can earn Game Items, Cards, Booster Packs, GAME Tokens, affiliated digital collectibles or Loyalty Points in return.



Loyalty Points

Loyalty Points can be earned by staking on a given game, and can only be redeemed for the applicable GAME Rewards allocated to that game. This system allows for new models of distribution and scarcity in a blockchain-backed system.

Players earn

The more GAME staked, the more GAME Rewards players earn. GAME that is staked on a game can be released back to the owner at any time.





Developers earn

In addition to players receiving rewards for locking up their GAME with their favorite games, doing so also helps the developer earn a larger percentage of fees across the entire GAME Exchange system. The more GAME staked to a game, the more fees the game developer is rewarded.

Incentivized player interaction

Should their model fit, developers may choose to add bonus rewards (such as Loyalty Points or NFTs) based on the level of interaction within their games. This creates a positive cycle of interaction and reward as with the current free-to-play gaming models but allows players to reap the benefits of this new age of player-owned game assets as well. Players that are incentivized to interact, in turn, create more player traffic, card demand, and trading pressure. This increased traffic benefits developers by providing more players to interact with each other, increase demand for assets and drive open market movements.

Incentivized developer content

Developers are incentivized to create quality content to attract players to buy, sell and trade their NFTs, as the more traffic there is on the network for their game assets, the more they earn.





GAME TOURNAMENTS (DELIVERY PHASE 2.0)

We believe that E-Sports are for every player, not just for the invited elite. With the platforms integrated tournament organizer, anybody can easily host a prize-backed tournament and provide every player a fair and secure chance to win.

Provably fair gaming

Blockchain technology allows for a new level of provably fair gaming by introducing on-chain random number generation (RNG) and the GAME Credits platform harnesses this to create an all-inclusive experience. Players will expand their collection and their gaming performance in a safe and equitable environment.

Secure prize escrow

Players are offered a secure prize escrow and match reporting is completed by the GAME Credits Platform.

Tournaments for all

While a developer may run coordinated events within their game, a decentralized tournament system allows for communities to create their own tournaments with 3rd party controlled prize pools.





INDUSTRY CHALLENGES

In traditional online gaming, players crave the ability to trade and sell their in-game assets, yet lack a secure environment to do so.

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CREATE, SELL AND TRADE

Players crave the ability to trade and sell their in-game assets, yet lack a secure environment to do so. Even worse, their items are not their own - they are licensed from the developer, who can revoke that license at any time, resolving players to fraud-laden black markets, costly middlemen, or nothing at all should the game dissolve entirely.

The GAME Credits Platform will eliminate these challenges by enabling the creation, sale, and trading of non-fungible tokens (NFTs, or in-game items) across any game on the network using the platform's token, GAME Credits (GAME). This solution gives players authentic and immutable ownership of the in-game items they invest in and game developers a secure means of providing them. GAME Credits can also be used to host, enter and payout platform leagues and tournaments.

Players benefit as they now own their assets and can sell and trade them freely and securely. They'll enjoy hosting and competing in leagues and tournaments with the chance to win real prizes paid in GAME, Packs and in-game items, minus the traditional threats of cheating and fraud. Players can reap benefits from the GAME Credits Platform as well, earning in-game NFTs, and GAME for simply supporting their favorite games while they play them.

Developers of all coding backgrounds benefit from the platform as the integration is seamless and requires no blockchain experience. Game developers that utilize the GAME Credits Platform earn up to 90% of GAME revenue (compared to 70% on iOS, Android and Steam) and gain instant access to the network's user base, opening up new revenue streams the moment they integrate.





GAME CREDITS SOLUTIONS

Every game that utilizes the GAME Credits Platform will harness the power of the immutable blockchain.

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SOLUTIONS FOR DEVELOPERS

Robust gaming tool suite

Every game that utilizes the GAME Credits Platform will harness the power of the immutable blockchain, enabling the provision of authentic ownership over digital assets with real scarcity, in a secure and transparent ecosystem. As the network scales to millions of concurrent users all accepting and using GAME for the transfer of NFTs, tournament fees and more, developer incentives and gamer rewards increase accordingly. Additional features that include the GAME Tournament Organizer, GAME Rewards System, GAME Exchange, and GAME Mint NFT Creator Tool are among a few features that set the GAME Credits Platform apart from the competition.

Simplicity of development using NovaToken SDKs and RESTful APIs

GAME Credits is a middleware solution that makes developing on the blockchain SIMPLE. Using the scalability SKALE affords and the security Ethereum provides, as a 3rd Layer solution, the GAME Credits platform provides developers and 3rd parties with a robust set of Smart Contracts, RESTful APIs and SDKs. Using these tools will save huge on Development costs and require very little, if any, blockchain development experience.

Seamless integration and income generation

Developers will want to integrate with GAME due to the focus on developer-friendly integration and a host of post-integration support services. Developers will implement GAME into their games because the majority of their player base now demands asset ownership. Developers that use GAME Mint to create their NFTs will also receive commissions from any subsequent trades or sales in all system marketplaces, whether in-game, on the GAME Credits Marketplace or on 3rd party sites integrating the platform.





Significant cost savings

The GAME Credits platform represents more than just a rich suite of developer and gamer-friendly features, it is also a considerable savings of resources for games looking to give their players more value. For a games development team to put together the full set of features that the Platform offers they would need to dedicate a non-trivial amount of time, money and human capital.

The biggest value proposition to a prospective game looking to integrate the GAME Credits platform is the cost savings on critical resources. Simply put, we take care of the heavy lifting for you with easy to integrate API's along with dedicated support that we offer our partners. Here is one example of the work involved for a game to create their own features and the costs associated with it to bring their player base this level of value-add:

- 20 x Solidity smart contracts (design, creation, testing deployment and maintenance) = \$1M USD at \$50,000 per smart contract.
- 24 / 7 AWS server cost per month = \$250 USD
- 5500 developer hours = \$300,000 USD
- 10 Platform API's (design, creation, testing and maintenance) = \$50,000 USD
- 300 UX / UI hours = \$10,000 USD





SOLUTIONS FOR GAMERS

Traditional Game Asset Licensing vs. True Asset Ownership

A huge hurdle in traditional game development is the need for developers to remain in control of the servers that run every aspect of the game software. Even if they wanted to give you more control over your game assets in this traditional environment, it's much too risky for them to do so, as in reality, they are still in control of that data, and so liable for any loss you might incur. For this reason, developers have had to create a licensing based system, by which you never own your own in-game items. You are simply licensing them from the developer so that in the event of a server failure or if the game decides to cease operations, they do not owe you a thing, and your game assets are lost. In addition to this, since developers in these situations control all game data, they have the power to control and even seize your in-game assets at any time.

With the GAME Credits Platform, players OWN their in-game items or currency. Game items are not stored on the developer servers, but instead on a transparent decentralized and secure ecosystem called a blockchain. This gives players and developers much more power and utility with their in-game items. This instills your in-game items with seemingly physical properties. This technology includes other benefits as well, such as provable rarity and item providence. With the player in control, they can use their items anywhere, in any game or system that supports them.

Anyone can safely and efficiently buy, sell, and trade their items as they wish. This can be done with ease from within their game, of which they never have to leave, or from any 3rd party interface developed on the decentralized GAME Credits Platform. We envision a growing interconnected community with each game that joins the GAME Credits ecosystem. Community developed fan sites, professionally developed apps and alternate game worlds utilizing each other's game assets will give players and developers access to a new age of connected gaming, unlike anything the games industry has seen before.





Earn in-game items and more

In addition to immutable ownership of their digital gaming assets and the freedom to sell and trade them, players will enjoy participating in the GAME Rewards system. This platform offers players the ability to earn more GAME as well as uniquely crafted digital assets in exchange for staking some of their GAME Tokens against their favorite games - a seamless user experience that requires no blockchain knowledge.

Lower transaction fees

Gamers also receive cost savings in terms of the ability to move in-game items around the ecosystem without paying expensive fees. Unlike on the Ethereum mainnet where players will experience high transactions costs to move in-game NFT's of all types, moving your collection of in-game items on the GAME Credits platform will be comparatively affordable. This will represent a significant cost savings for all players.

Faster network transactions: Scalability as a SKALE Network DAppChain

Scalability plays a critical role in the sustainability and overall success of any reliable blockchain based platform or exchange. This aspect is even more important for those with a structural foundation on the verge of mass adoption. The GAME Credits Platform addresses this by operating as a SKALE Network DAppChain (<https://skale.network>), a parallel side-chain attached to smart contracts on the Ethereum mainnet. The SKALE Network is a 2nd Layer solution that extends the Ethereum Network with a secure, faster transaction speed, and lower cost distributed proof of stake blockchain.