



GAME CREDITS

TRUE ITEM OWNERSHIP FOR EVERY GAMER

GAME CREDITS

WHITEPAPER 2020



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GAME CREDITS HISTORY

GAME CREDITS (GAME), formerly known as Gamerscoin, launched in February of 2014, making it not only one of the very first cryptocurrencies to be launched, but the very first to be focused solely on games. The primary focus of GAME was, and remains, as a digital currency. Since its inception, GAME has been used both to revolutionize in-game purchases as well as to give game developers a monetization based on the fair play rules that the technology of blockchain affords.

Around the same time that GAME CREDITS launched, another booming segment of the gaming industry was created with the emergence of Esports, a form of professional sports competition using video games. The original creators of GAME CREDITS foresaw the continued growth of the Esports sector, and envisioned GAME as a digital currency that could be incorporated into Esport Tournament prize pools and payouts. They were on to something, as the incredible success of the industry has continued with an estimated \$1.1 billion in 2020, a year-on-year growth of +15.7%, up from \$950.6 million in 2019 (Newzoo.com “2020 Global Esports Market Report”).

GAME CREDITS MERGES WITH NOVATOKEN

In April 2020, the NovaToken platform merged with the GAME CREDITS network. Since the merger, NovaToken has continued to operate under the GAME CREDITS brand. To facilitate this merger, GAME CREDITS made its move onto the Ethereum network in order to ensure the proper technology stack was in place and ready to fulfill the long-term goals to empower the players and give them what they want; true ownership, digital security, and boundless possibilities for fun. This move helped GAME CREDITS to finally realize one of its initial visions, to incorporate 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 ushered 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 nearly 30 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 behind MTG included the distribution of various rarity playing cards via randomly packaged "Booster Packs", similar to the age-old Baseball Card trading model, but with a game system attached. You could now collect, trade and play with the cards. This concept would soon become a huge phenomenon in the physical gaming world.

MTG became so popular that just a few years later, a robust tournament system around it was created by Skaff Elias. This tournament created a fiercely competitive ranking system which eventually led to 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 Esports movement.

Fast forward almost 10 years to 2002, with the release of a digital version of the same game, Magic the Gathering Online (MTGO). Not surprisingly, MTGO was a huge hit, using the same economic system of randomness and scarcity as its predecessor. Players could collect, trade and sell their digital magic cards. In this model, cards still retained a similar value to those in the physical space, however, now an online type of currency called 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 and remain popular. 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 for high amounts.

This new world of digital goods with investment value, all seemingly "owned" by the players, became an enormous 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



MARKET HISTORY

aftermarket? No. The problem was that the players treated these items as if they really owned them. In reality, 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 even 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 lost 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 actually 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.

These past problems continue to be an issue in the traditional gaming space. However, with the emergence of Bitcoin, Ethereum and Blockchain technology, solutions have emerged as well. There is no doubt that blockchain has had and will continue to have a huge impact on the online gaming industry. With the advent of Ethereum and the ERC-721 Token Protocol, a new type of in-game asset became possible; the Non-Fungible Token (NFT). NFTs are unique blockchain tokens embedded with metadata, and the ability to evolve throughout their life cycles. With their creation, NFTs have allowed the same power of security and control that cryptocurrency provides to 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 then deliver them to gamers. These assets now reside within the gamer’s control, on the blockchain. The developer provides the means by which



MARKET HISTORY

the players can use their CARDS, but does not retain control of the item itself. In this approach, developers also 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 have begun to emerge 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 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 composed of the GAME Foundry, 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.

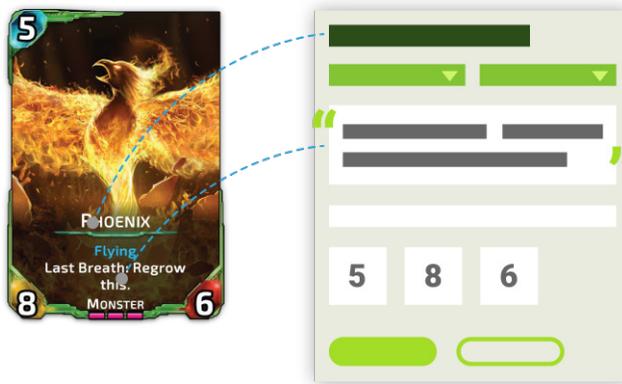
- Whether in-game, in the GAME CREDITS Marketplace, or on a 3rd party site utilizing the suite of decentralized smart contracts, GAME can be used across the entire GAME CREDITS network to create, transfer, buy and sell any digital asset.
- Holding GAME entitles players to earn more in-game items when 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 the gamer 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 pay-out tournaments.
- GAME can also 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 FOUNDRY (DELIVERY PHASE 1.0)

The creation and transfer of digital items (NFTs) on the Ethereum blockchain has become extremely costly due to high transaction fees on the Ethereum network. The 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 Foundry alleviates both the problems of cost and time.



Create and Deliver Digital Assets at a Lower Cost

GAME Foundry 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 Foundry takes advantage of faster transaction speeds by running on side-chains.

Developers Continue to Earn on NFTs Post-Distribution

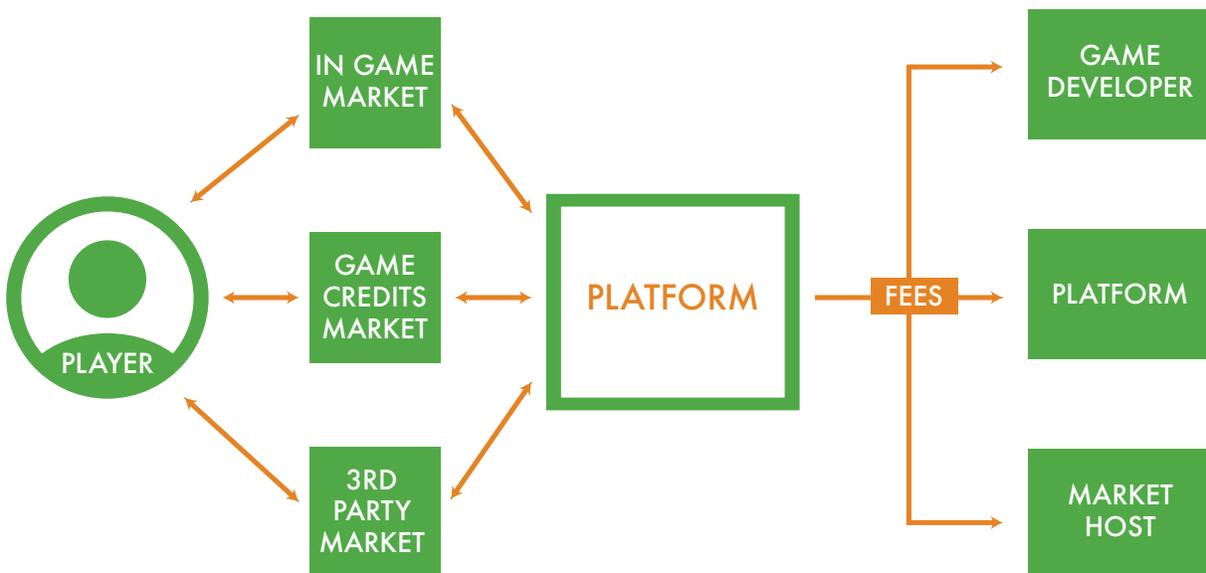
In addition to the lower cost to create game assets, Developers who use GAME Foundry will enjoy earning commissions on those digital items each and every time a player sells them in the decentralized GAME Exchange System.

* 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 REST-ful 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 EXCHANGE (DELIVERY PHASE 1.0)

GAME CREDITS Marketplace

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. Discover, trade, and play, all in one place.

3rd Party Community Sites

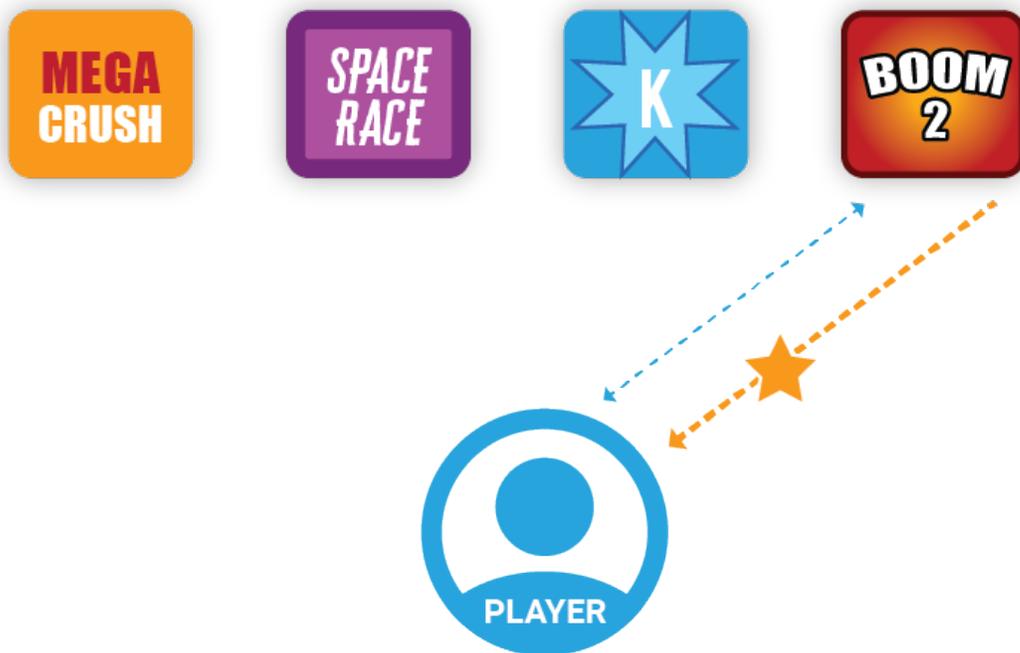
Whether it be fans of one or more games on the network, business owners seeking new opportunities, or perhaps games not yet approved by GAME CREDITS' own marketplace, the freedom provided by the use of GAME CREDITS decentralized smart contracts gives anybody the opportunity to create outside the box.

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. By locking their GAME CREDITS Tokens (GAME) into games they are loyal to, players gain the ability to 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.



GAME REWARDS (DELIVERY PHASE 1.0)

Developers Earn

In addition to players receiving rewards for locking up their GAME with their favorite games, developers also 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 also allows players to reap the benefits of this new age of player-owned game assets. 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 Esports are for every player, not just for the invited elite. With the platform's 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). The GAME CREDITS platform harnesses this to create an all-inclusive experience, enabling players to 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 do not own the in-game assets they collect and purchase - 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 eliminates these challenges by enabling the creation, sale, and trading of NFTs across any game on the network using the platform's native token, GAME CREDITS (GAME). This solution gives players authentic and immutable ownership of the in-game items they invest in, as well as 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 Foundry NFT Creator Tool, are among a handful of 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 afforded by an ethereum-based sidechain and the security of the Ethereum mainnet, as a 3rd Layer solution, the GAME CREDITS platform provides developers and 3rd parties with a robust set of smart contracts, RESTful APIs and Software Development Kits (SDKs). Using these tools provides huge savings on development costs and requires 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 the games they build because the majority of their player base is now demanding asset ownership. Developers that use GAME Foundry 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



SOLUTIONS FOR DEVELOPERS

Significant Cost Savings

The GAME CREDITS platform represents more than just a rich suite of developer and gamer-friendly features. The Platform also provides a considerable savings of resources for games looking to give their players more value. For a game's 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. With it, they do not.

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 APIs along with dedicated partner support. Below is just 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 val-

- 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 major 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. Giving gamers control over game assets in this traditional environment is far too risky since controlling the data makes developers liable for any loss that may be incurred. For this reason, developers have had to create a licensing based system, by which gamers never own their own in-game items. Gamers are simply licensed the items from the developer so that if the server fails or the game ceases operations, the developers do not owe gamers anything, and thus game assets are lost. Since developers in these situations control all game data, they have the power to control and even seize 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 and provides 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, within the game 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.



SOLUTIONS FOR GAMERS

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 also 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, creating 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 transaction costs to move in-game NFTs of all types, moving your collection of in-game items on the GAME CREDITS platform will be comparatively affordable. This will provide a significant cost savings for all players.

Faster Network Transactions: Scalability with a Side-Chain

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 a parallel side-chain attached to smart contracts. The side-chain is a 2nd Layer solution that extends the Ethereum Network with a secure, faster transaction speed, and lower cost distributed proof of stake blockchain