



## A DECENTRALIZED ECOSYSTEM OF PROVABLY FAIR CHANCE-BASED GAMES

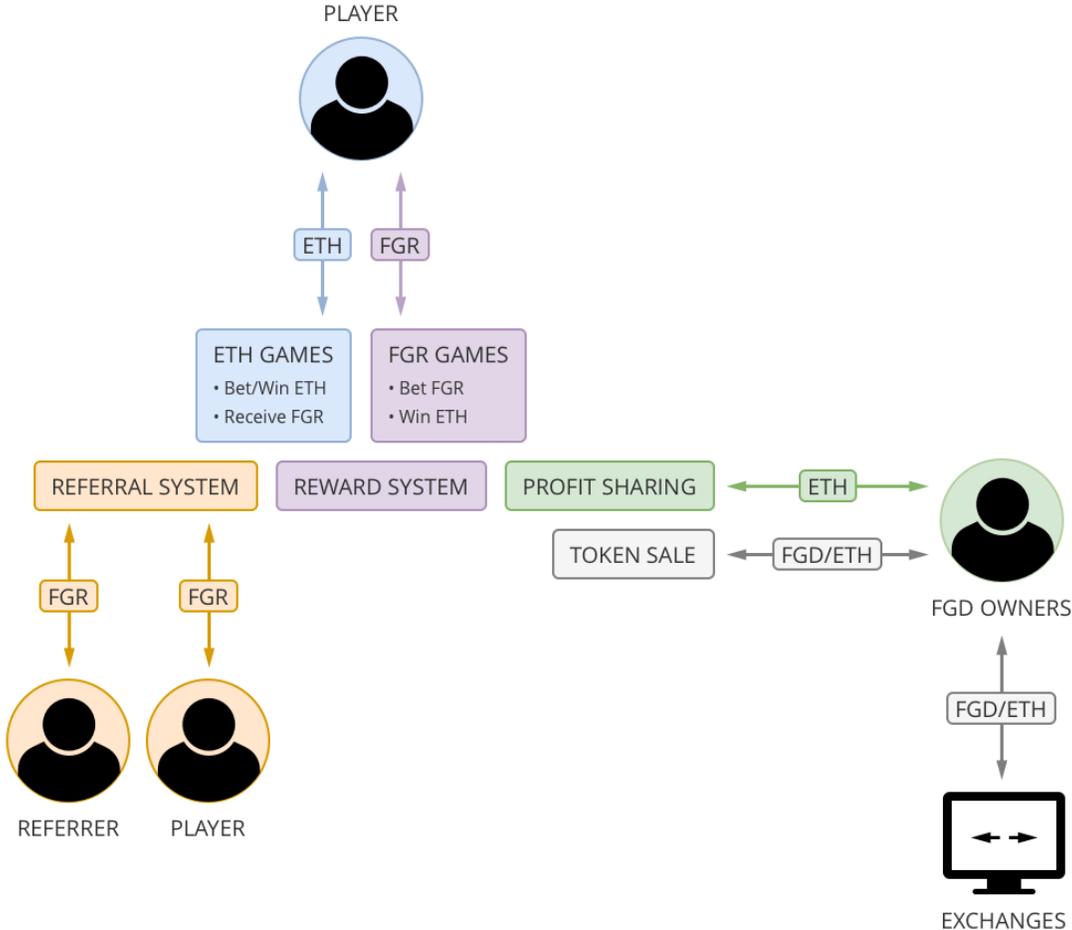
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# ECOSYSTEM OVERVIEW

Fairgrounds is a decentralized ecosystem of provably fair chance-based games built on the Ethereum blockchain. The site will offer a variety of games that give players an opportunity to bet and win Ether (ETH). Players are rewarded for participating via the Fairgrounds Rewards Token (FGR), which in turn provides incentive to continue playing on the system. Players have an opportunity to refer their friends, providing both the referrer and the one referred with bonus FGR tokens. Finally, the system will offer profit sharing via the Fairgrounds Token (FGD).



# OPPORTUNITY

The size of the online gambling market is expected to reach upwards of \$50 Billion Dollars USD in 2018. We believe that blockchain-based apps provide a unique opportunity given

the transparency offered over traditional online establishments. Players can have full confidence that they are playing a game of chance that is provably fair that provides the best possible outcomes.

Ethereum currently has a market cap of \$98 Billion USD, and we believe it still has massive potential. It has quickly become the platform for distributed applications, earning a great deal of developer mindshare that includes support from large enterprises. The platform is advancing at a fast pace and is at the forefront of the decentralized application space.

A number of privately held cryptocurrency based competitors exist today, with the largest among them primedice.com having over \$250M wagered. Most of these sites are set up in a centralized fashion requiring logins and deposits. Fairgrounds will be completely decentralized, without signup of any kind. Further other competitors offer wagers and payouts in Bitcoin (BTC). The recent challenges with scale have meant that withdrawing or depositing BTC costs significant transaction fees, or takes a long time.

## GAMES

The Fairgrounds website will provide a variety of different chance-based games to bet and win Ether (ETH). The site will require a browser or browser extension that is capable of interacting with the blockchain. At the time of this writing Metamask for the Chrome browser and the Mist browser work well. At launch the only game available will be Raffle. However, there will be multiple raffles to not only allow greater participation from players, but also to demonstrate the incentive reward system. Other games will launch shortly after the token sale.

## CONVENTIONAL RAFFLE

Players buy tickets with Ether (ETH) for a chance to win a jackpot. A single winner is chosen at random in a provably fair manner. All participants are awarded Fairgrounds Reward Tokens (FGR) as reward for their participation. The FGR tokens can then be used in multiple ways to win back or buy back ETH.

The mechanics of the conventional raffle are described as follows:

- A conventional raffle has a fixed ticket price in ETH for each entry.
- Multiple raffles can exist at differing price points to allow for the widest adoption.
- Players can purchase 1 or more tickets to enter the raffle with each additional ticket purchased offers a greater chance of winning the jackpot.
- FGR tokens are rewarded at a 100:1 ETH ratio based on their bet size.
- A conventional raffle has a target number of tickets to be sold. [Min: 20]
- Once all tickets are sold for a single raffle, a winner is chosen at random.
- 10% of all funds in ETH for the raffle are transferred to a *progressive raffle*.

- The remaining 90% of the funds in ETH (after fees) are awarded to the winner

## PROGRESSIVE RAFFLE

The mechanics of the progressive raffle are similar to the conventional raffles but with a few major differences (in bold):

- A progressive raffle has a fixed ticket price **in FGR** for each entry. Eg. 10 FGR per entry ticket.
- Players can purchase 1 or more tickets to enter the raffle with each additional ticket purchased offers a greater chance of winning the jackpot.
- A progressive raffle has a **window of time** where tickets can be sold.
- Once an entry occurs **beyond the window of time**, a ticket is drawn.
- If a purchased ticket is chosen:
  - **80%** of the progressive jackpot **in ETH** is paid to the chosen winner.
  - **20%** of the progressive jackpot **in ETH** is transferred to the house (stored in the profit sharing smart contract)
- **100% of FGR tokens collected via ticket sales for the progressive raffle are redistributed back to conventional raffles as rewards for future players.**

## PROVABLY FAIR

Raffle's random number generator uses a third-party open source blockchain-based library provided by Oraclize.it. Oraclize's [random data source](#) generates an integer outside of the blockchain that is safe from manipulation of miners and other 3<sup>rd</sup> parties. Smart contracts will be verified on Etherscan so that original source can be checked.

## REFERRAL SYSTEM

The Fairgrounds ecosystem also includes a built-in referral system. This incentivizes players to recommend other users to the system in a mutually beneficial relationship. When a player accesses the system via a referral code and plays a game, the system will payout a bonus reward to the player of 10% extra FGR tokens. The system will also pay out the equivalent 10% bonus FGR tokens to the referrer. This relationship is stored in the blockchain and persists across all future games that the player participates in.

## FAIRGROUNDS REWARDS TOKEN (FGR)

The Fairgrounds Rewards Token (FGR) is an Ethereum ERC20 standard token. The total supply of FGR tokens is **1,000,000,000,000,000**. With a target participation reward ratio of 100:1 FGR to ETH, this amount is designed to be more than enough to support the

Fairgrounds ecosystem. Since games like the progressive raffle will be available only to those holding FGR tokens, the majority of distributed tokens will make their way back into circulation.

Token ownership will be provided 100% to the reward distribution smart contract. There are no plans to list the FGR token on exchanges at the moment.

## PROFIT SHARING

Games will be designed with a small measurable fee, or house advantage. These funds will be transferred to a special profit sharing smart contract. This contract provides a continuous, uninterrupted monthly distribution of profits based on ownership as a portion of the total supply of another ERC20 token, the Fairgrounds Token (FGD). FGD owners can withdraw their rightful portion of the profits anytime during the month. Any profits that are not withdrawn are carried over into the next month's distribution period. This will be available through the Fairgrounds site, and is intending to launch prior to the end of the token sale period.

## FAIRGROUNDS TOKEN (FGD)

The Fairgrounds Token (FGD) is an ERC20 token implemented on the Ethereum network. It has a targeted total supply of 100,000,000, but this limit may be less dependent on the outcome of the token sale. It is important to note that this is a separate token than the previously mentioned Fairgrounds Reward Token (FGR).

FGD is designed to facilitate fair distribution of any profits on the system through the above mentioned profit sharing smart contract. This is achievable by providing the balance of FGD tokens in any account at any specific block number in the blockchain. For any specific time in the blockchain, if the balance of FGD tokens in any account can be known, then we can apply that balance value to the known supply of tokens and derive how much any single account is entitled to when the distribution period begins. This prevents the problem of double spend where an FGD owner may withdraw their portion of the profits, transfer their FGD tokens to another account, and attempt to withdraw the portion of the profits.

## TOKEN SALE

Fairgrounds will offer **50,000,000** FGD tokens (50% of the total supply) as part of a token sale. This token sale will raise ETH to primarily fund a bankroll to support certain chance-based games like a lottery or roulette. The token sale will begin February 7, 2018 and end April 11, 2018, or until all tokens are purchased. The only crypto-currency accepted will be ETH, and the exchange rate will start at 1:10000 ETH to FGD. Every week the exchange rate

will decrease by 1000. E.g. Week 2 will offer 1:9000, Week 3 will offer 1:8000 etc. Any FGD tokens from the sale that go unsold at the end of the 2 month period will be burned. This will reduce the overall supply of FGD tokens, and should provide greater value for those participating in the sale, as their percentage of ownership will increase.

## FGD BONUS REWARDS

Fairgrounds will offer **25,000,000** FGD tokens (25% of the total supply) as a bonus reward for early adopters to the platform. That is, early adopters of the platform will receive both FGR and FGD tokens for playing games on the platform. Referral bonuses will also pay out an additional 10% reward to both referrer and player in FGD tokens. The FGD bonus reward will be offered at a rate of 10000:1 FGD to ETH.

The remaining **25,000,000** FGD tokens (25% of total supply) will be stored in cold storage to fund future development, operations etc.

## USE OF FUNDS

### 40% **BANKROLL**

With an appropriate bankroll, it will be possible to some types of chance-based games (E.g. a jackpot lottery) that would otherwise be impossible to add. Expanding on the types of games will bring a broader audience and greater value to the ecosystem.

### 35% **DEVELOPMENT**

These funds will cover the development costs of additional chance-based games as defined in the roadmap.

### 15% **OPERATIONS**

These funds will be used to cover expenses associated with infrastructure, support, accounting, business development, and other administrative overhead.

### 10% **USER GROWTH AND MARKETING**

Fairgrounds will use these funds to cover expenses associated with marketing and promotion of the entire Fairgrounds ecosystem.

## ROADMAP

2017 September	Development	Complete
2018 January	Contract Audit	Complete
2018 February	Token Sale Begins	
2018 February	Profit Sharing Contract	In Progress
2018 April	Token Sale Ends	
2018 April	Roulette	
2018 June	Lottery	
2018 August	Spin The Wheel	

## DISCLAIMER

Fairgrounds Tokens (FGD) and Fairgrounds Rewards Tokens (FGR) are cryptographic token and should not be considered an investment. There is no guarantee that FGD or FGR will hold any value and/or provide any return.

Fairgrounds is not responsible for lost FGR or FGD. This includes but is not limited to sending FGR/FGD to the wrong address, hacking, or losing credentials/access to a wallet holding FGR/FGD.

Fairgrounds is associated with the Ethereum protocol and depends on Oraclize, thus any malfunction associated with the Ethereum protocol or Oraclize may cause the Fairgrounds platform to function in an unintended manner.

There is risk of unfavorable regulatory action in certain jurisdictions. This may impact development and users of the platform.

There is risk of a game, network, blockchain or other malfunction. During a malfunction all play is considered void and in the worst case, all entries will be lost.

Fairgrounds Smart Contracts are published to the Ethereum blockchain and are executed in a completely decentralized manner. Therefore, there is no way for Fairgrounds to guarantee the legality of the service in each jurisdiction. Players, however, must agree to the terms and conditions before using the site.

## TERMS AND CONDITIONS

BY ACCESSING ANY PART OF THE FAIRGROUNDS WEBSITE OR FAIRGROUNDS SMART CONTRACTS ON THE ETHEREUM BLOCKCHAIN, YOU AGREE TO THE FOLLOWING TERMS & CONDITIONS. PLEASE READ THESE TERMS CAREFULLY.

IF YOU DO NOT AGREE TO THESE TERMS & CONDITIONS, NAVIGATE AWAY FROM THE FAIRGROUNDS WEBSITE, AND DO NOT ACCESS ANY FAIRGROUNDS SMART CONTRACTS.

THESE TERMS & CONDITIONS AND ANY TERMS EXPRESSLY INCORPORATED HEREIN (THE "AGREEMENT") GOVERN THE USE OF THE FAIRGROUNDS WEBSITE (THE "SITE", "WE", "US", "FAIRGROUNDS", OR "OUR") BY YOU (THE "PURCHASER", "PLAYER", OR "USER"), THE USE OF THE FAIRGROUNDS SMART CONTRACTS (THE "FAIRGROUNDS SMART CONTRACTS") PUBLISHED ON THE ETHEREUM BLOCKCHAIN, AND THE PURCHASE (THE "PURCHASE") OF THE RELATED ERC-20 COMPATIBLE TOKENS DISTRIBUTED ON THE ETHEREUM BLOCKCHAIN (THE "FGD TOKENS") DURING THE TOKEN SALE PERIOD (THE "SALE PERIOD").

FAIRGROUNDS HAS THE RIGHT TO MODIFY THESE TERMS AT ANY TIME AND WITHOUT PRIOR NOTICE. CHANGES TO THE SYSTEM CAN ALSO BE WITHOUT ANY PRIOR NOTICE.

THE SITE IS NOT INTENDED FOR USE BY ANYONE UNDER THE AGE OF 18. THE SERVICE IS NOT FOR USE BY INDIVIDUALS UNDER THE LEGAL AGE OF MAJORITY IN THEIR JURISDICTION. FGD TOKENS MAY NOT BE PURCHASED THROUGH THE SITE BY ANYONE UNDER THE AGE OF 18. DUE TO THE DECENTRALIZED NATURE OF THE ETHEREUM BLOCKCHAIN, WE CANNOT VERIFY THE LEGAL AGE OF THE PLAYER OR PURCHASER. BY USING THE SITE AND/OR PURCHASING FGD TOKENS THROUGH THIS SITE, YOU REPRESENT AND WARRANT THAT YOU ARE 18 YEARS OF AGE OR OLDER.

THIS SITE IS NOT INTENDED FOR USE BY INDIVIDUALS ACCESSING THE SERVICE FROM JURISDICTIONS FROM WHICH IT IS ILLEGAL TO DO SO. DUE TO THE DECENTRALIZED NATURE OF THE ETHEREUM BLOCKCHAIN, FAIRGROUNDS CANNOT VERIFY THE LEGALITY OF THE SERVICE IN EACH JURISDICTION FROM WHICH IT IS ILLEGAL TO DO. IT IS THEREFORE THE PLAYER'S RESPONSIBILITY TO ENSURE THAT THEIR USAGE IS LAWFUL. YOU REPRESENT, WARRANT AND AGREE TO ENSURE THAT YOUR USE OF OUR SERVICES WILL COMPLY WITH ALL APPLICABLE LAWS, STATUTES AND REGULATIONS. YOU ACKNOWLEDGE AND AGREE THAT FAIRGROUNDS WILL NOT BE RESPONSIBLE FOR ANY ILLEGAL OR UNAUTHORIZED USE OF OUR SERVICES BY YOU.

YOU ARE SOLELY RESPONSIBLE FOR ABIDING BY ANY LAW IN YOUR JURISDICTION REGARDING ONLINE GAMBLING WITH CRYPTOCURRENCIES. YOU ACKNOWLEDGE THAT FAIRGROUNDS PROVIDES CHANCE BASED GAMES AND THAT YOU MAY LOSE SOME OR ALL OF YOUR CRYPTOCURRENCIES. YOU ACKNOWLEDGE AND AGREE THAT UNDER NO CIRCUMSTANCES IS FAIRGROUNDS LIABLE FOR ANY OF YOUR LOSSES. YOU ACKNOWLEDGE AND AGREE THAT YOU ARE WAIVING YOUR RIGHTS TO ANY CLAIMS AGAINST FAIRGROUNDS.

THE PLAYER IS SOLELY RESPONSIBLE FOR ANY APPLICABLE TAXES THAT MAY BE PAYABLE ON CRYPTOCURRENCY IMPOSED BY YOU IN USING THE SITE OR FAIRGROUNDS SMART CONTRACTS.