

# White Paper on WithCoin

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## #1 Introduction

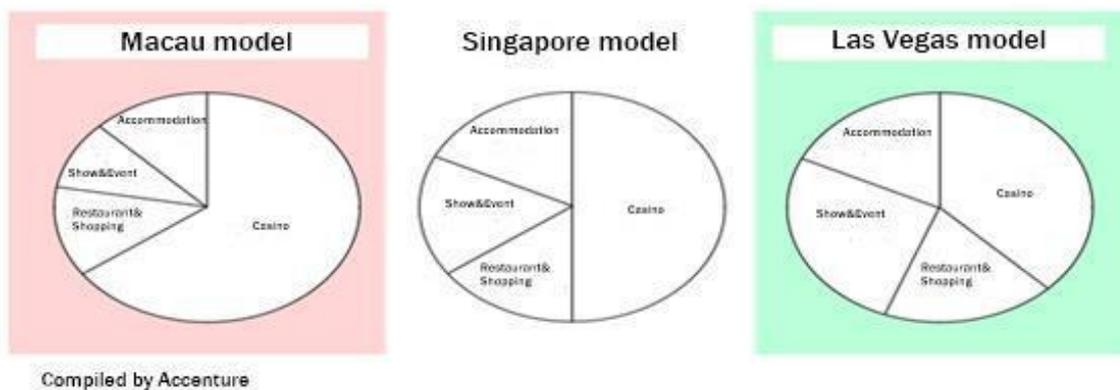
“WithCoin” is an innovative money-transfer & automatic foreign-exchange platform to transfer money to land-based and online casinos through crypto currency.

For the blockchain technology as its base, we are using a smart contract framework to the Ethereum network; on which WithCoin will be issued and circulated. In addition, we will develop a specialized wallet to have in custody and circulate WithCoin. 5 billion WithCoin will be issued. The money-transfer commission for WithCoin will be free; the commission for foreign-exchange 3%.

## #2 Overview of casino industry

While corporate earning structures often differ depending on products and services handled, that of the casino industry greatly differs depending on the city one engages in the business in.

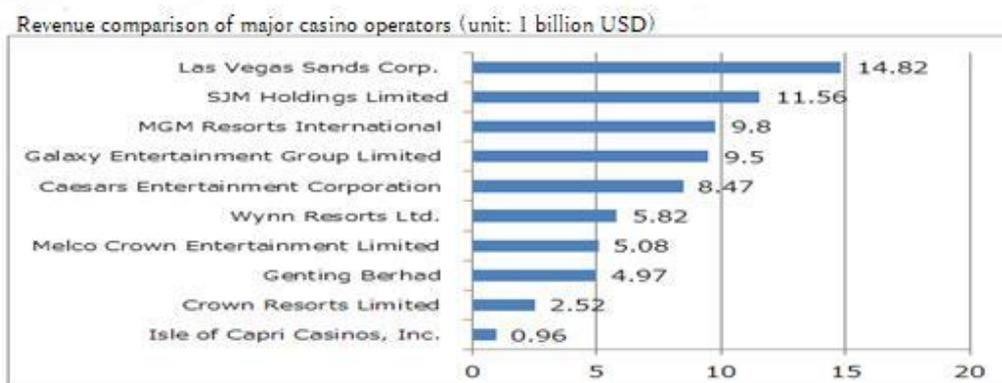
An “integrated resort” is comprised of services such as casinos, restaurants, shops, shows or events, or accommodation facilities, with the composition ratio greatly different from one city to another.



The difference is evident just by comparing the most typical 3 cities / areas that have been successful in their casino business.

Some companies boast trillions of yen of market capitalization for their high growth rate and profitability, enabled to source funds for facility investment said to need hundreds of billions for just one facility.

The casino revenues by city are 28.9 billion USD for Macau, 6.3 billion USD for Las Vegas, and 4.8 billion USD for Singapore, respectively.



Compiled by Accenture based on the latest financial information of each company

Macau has grown up to be the world's largest casino city by specializing in casino, especially in high-bet one for VIPs, as opposed to Las Vegas. More than 70% of its earning is comprised of casino; close to 70% of it comes from a game named Baccarat for VIPs with high amounts of betting. This targets the affluent in Asia centered around Chinese. As the affluent usually spend millions - tens of millions of yen per night, the competition among casinos for the affluent is intensifying. The risk for about half of its earning to depend on some VIPs or casino games for VIPs is rather large. In the future, the situation will be affected by the intensifying competitive environments including neighboring areas and regulatory environments of Chinese authorities.

The casino earning in Macau in December 2014 reportedly recorded the biggest plunge in the past by 30.4%, consecutively having gone below the monthly earnings of the previous year since June 2014; the yearly earning dipped by 2.6% compared to the previous year.

For its reason, specifically a factor that its earning for high-bet casino for VIPs decreased by about 20% compared to the previous year has been cited; similarly, that in Singapore did by more than 20% compared to the previous year.

On the other hand, it has been reported that casinos in Philippines will exceed Singapore at the end of 2017. This has been influenced by the influx of part of the Chinese affluent from Macau and Singapore to Philippines.

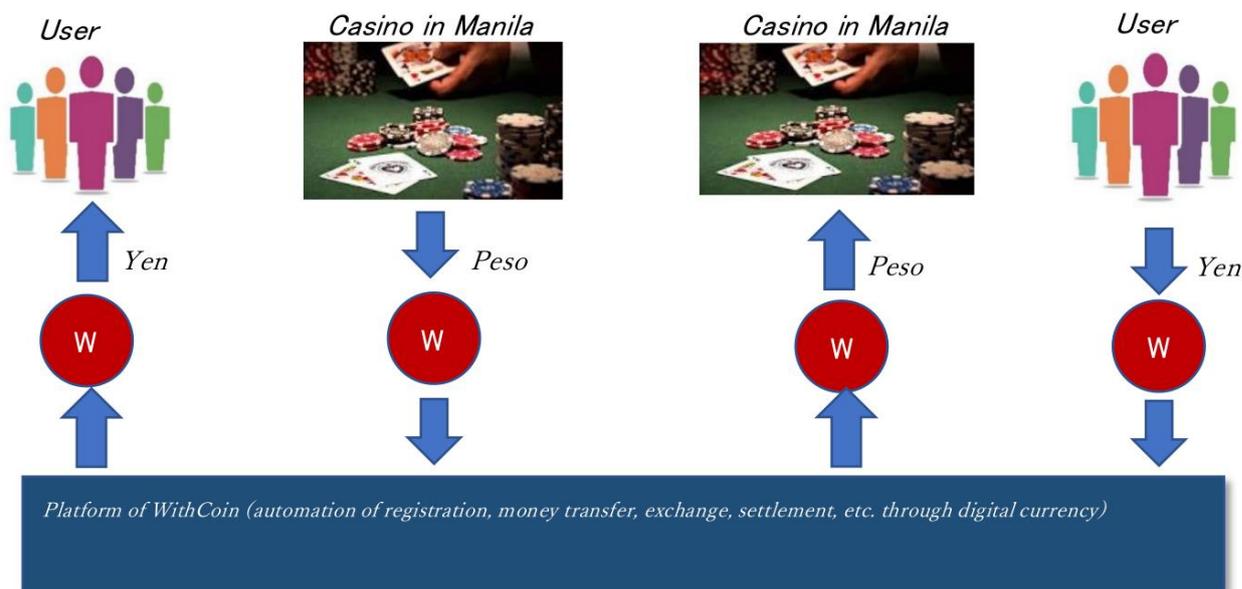
For these situations, we will target Philippines as our casino city. That is, we assume that WithCoin will be used in the fields to transfer money from China, South Korea and Japan to Philippines.

### #3 Overview of WithCoin system

#### #3.1 Platform of WithCoin

We will realize a digital-currency platform for anyone to easily participate in casinos.

We will automate all of the operational procedures using the smart contract functions of digital currency (entering a contract, payment, etc.).



### #3.2 How to implement WithCoin

WithCoin is building a decentralised, peer-to-peer marketplace that allows its users to send their money in a trustless and secure environment. The marketplace leverages the Ethereum blockchain as both a public ledger for lease transactions, and for conducting the transactions themselves, using a smart contract framework.

In Ethereum, a randomly-chosen node on P2P network will approve and process a transaction by containing it into a block, a system where frauds or falsifications hardly would take place. Not only transferring of currencies, but also “smart contract” realized in Ethereum can be implemented in it; there are a wide variety of functions it can perform such as issuing its own token (digital currency). WithCoin will automatically calculate the exchange rate in transferring money and embed the result into blockchain. If you are to transfer money from Japan to Philippines, the commission for foreign exchange will be calculated referring to the ongoing rate in Yahoo; in principle, the commission for transferring money (itself) is free.

Consensus algorithms of digital currency have included “Proof of Work” (POW) and “Proof of Stake” (POS), which mean approval methodologies of transactions of digital currency.

POS determines the approval ratio of blocks according to the ratio of owned coins (Stake). POW literally means proving work, and those who have worked most will approve the transaction. Work here means mining. Namely, those who have mined most will approve the digital currency and gain the reward. The idea that those who have mined most will have the initiative namely is POW. Problems in POW

- 1] Possibility of centralization by a limited number of groups
- 2] Possibility of frauds due to 51-percent dilemma
- 3] Mining costs for electricity

WithCoin has been designed with simplicity and security as a first priority. Payment is made, in advance, and held in an escrow contract on the Ethereum blockchain; in the event of a dispute between users, a trusted party, such as the dedicated WithCoin resolutions team, will be able to make the final judgement. Reviews and comments made by users will also be stored on the blockchain, creating an indisputable, trustworthy record of a user’s conduct. These technologies are handled natively by the WithCoin application and all technical complexity is hidden from the user.

There is an intrinsic fee when transacting via the Ethereum blockchain, known as the “gas cost”, used to incentivise miners and to secure the network. When using the WithCoin applications, any gas costs incurred will be covered automatically, without the user’s knowledge. This results in a smooth user experience and removes the need to manage multiple currencies, a drawback in some existing decentralised systems. The slight cost to WithCoin will be included in the transaction fees, taken in WithCoin.

A gateway will be provided for the exchange of fiat to tokens and vice versa, further eliminating friction for users new to cryptocurrency. This will allow profits to be easily withdrawn to a bank account. Deposited currency will be automatically converted to WithCoin and transferred to the user's wallet, visible as a balance on the marketplace.

### #4 Partners of WithCoin

The members of D-BAC will be the partners of WithCoin. About 8,000 members will utilize WithCoin from the onset. A large corporate group that manages telephone betting casinos (also known as Avatar casino) in Philippines will also be our partner. The telephone betting casinos will be connected to WithCoin. The large corporate group manages a wide variety of casinos such as land-based casinos held in local hotels in Philippines and Macau, online casinos that have acquired the formal authorization of operation on internet, or telephone betting casinos that use the image of live games in land-based casinos.

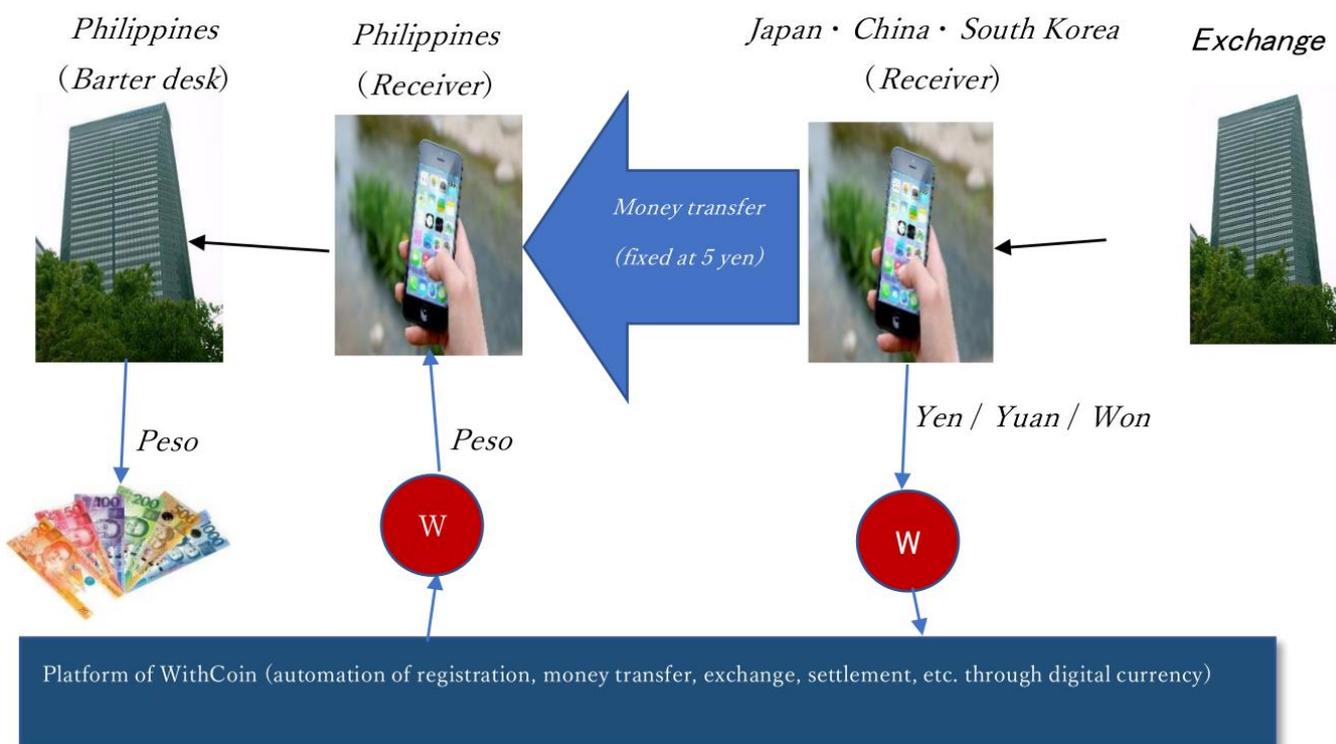
### #5 Business model of WithCoin

WithCoin is a digital currency specialized in casinos.

You can transfer money through an application on your smartphone; you can select the counterparty with cell-phone number.

It has the mechanism to transfer at a fixed rate, by which the rate won't fluctuate during transfer.

The commission for transferring money is free; that for foreign exchange will be charged at 3%, where it will be more favorable than normal exchanges of legal tender as the exchange rate will be referred to Yahoo.



## #6 Expansion strategy

The member organization of D-BAC (8,000 members) will engage in the expansion activity for WithCoin. WithCoin can be used in the allied VIP room with an exchange counter of COD (City of Dreams Manila) and Solaire Resort & Casino; the users of this VIP room will further advertise it by notifying other potential users. In addition, D-BAC's free application will make advertisements around the globe.

## #7 Roadmap

The wallet of WithCoin is planned to be completed in January 2018.

WithCoin will be able to be transferred to its wallet by the end of January 2018.

The chat application of WithCoin is planned to be completed in February 2018; you will be able to easily transfer WithCoin with cell-phone number of the counterparty while chatting. WithCoin is planned to be listed on an exchange in U.S in May 2018.

WithCoin is planned to be connected to land-based and online casinos in Philippines when listed.

## #8 Team & advisor

D-BAC international is the main business entity:

Name: D-BAC International Company Limited

Address: Alameda Dr. Carlos D'Assumpcao, Nos.181-18,Macau

Representative: Chen Zhiyu

## #9 Risk analyses

### 1] Risk of cyberattack

Generally, digital currencies tend to be targeted by hackers. There may be a case WithCoin will be negatively influenced by a cyberattack. To avoid this risk, we are planning to introduce anti-hacker tools on its server side.

### 2] Risk of communication network

Digital currencies by nature won't work without communication network environments. If the communication networks in the world were disrupted, there might be a possibility that WithCoin wouldn't work, either, where the digital currency transferred to its wallet won't be lost for such communication disruption.

### 3] Risk of laws / tax regimes changed

If related laws are changed to regulate ICO, digital currencies may stop circulating; tax regimes may be changed to increase the amount of tax levied on profits.

#### 4] Risk of unstable prices

The prices of digital currencies may be rendered unstable due to the influence of the market situation or world economy; it also can be assumed that the targeted price can't be maintained.

#### 5] Risk of digital currency operation

There is a possibility that in operating digital currency, if related laws are changed in each of the countries, the operation in countries targeted for expansion will be disabled. We are planning on the operation of digital currency in Hong Kong, Seoul, Tokyo and Manila. In emergency, we are expected to use the existing exchanges in each of the countries.

#### 6] Risk of funding

The essential expansion of WithCoin would be difficult without the development of the digital currency's platform, wallet, chat software, etc. If we couldn't source enough fund for systems development, the development and expansion of WithCoin could be rendered hard.

End of our notice