

## **Providence white paper**

## **Introduction**

The world of cryptocurrency has really blown up with multiple coins in circulation and freely traded amongst peers. However, save for a few exceptions, there are limited places in the real world that one can directly spend their cryptocurrencies in exchange for goods or services. In this regards, most cryptocurrency holders are forced to convert these digital assets into fiat currencies which is widely acceptable in the real world. This is a shame especially given the robust blockchain infrastructures, substantial adoption of blockchain and the limitless potential that these cryptocurrencies have in the physical world. Despite the multiple initiatives undertaken to adopt and widely use cryptocurrencies in the physical world, there exists major limitations to the seamless integration in the day to day commercial activities.

In the online world, however, cryptocurrencies have been widely accepted and have been embraced in multiple formats and are used for wide ranging activities. Online gambling and eSports is one of the early adopters of cryptocurrencies and the blockchain technologies. The uptake of cryptocurrencies in these online gambling activities has had overwhelmingly successful effects showing the huge potential that the blockchain can have in the sector. This notwithstanding, there hasn't been substantial effort to integrate the successes of cryptocurrencies in the online platforms into the real world and in a physical realm. There is a disjoint between the application of cryptocurrencies in online gaming and gambling and its uptake in the real world casinos and this is what Providence seeks to address.

## **What is providence?**

Providence is the first cashless physical casino in the world. Providence presents a first of its kind casino that is 100% cashless and operates solely with cryptocurrencies that is enabled by advanced blockchain technology integration. Through the blockchain, Providence will allow users to walk into our physical casino and exchange cryptocurrency for chips that will enable the players to engage in their favourite adrenaline-rush games in the premises. In essence, Providence will enable players to turn their cryptocurrencies into fun and usable assets in the physical realm thus addressing a major issue currently not prevalent in the real world. To ensure that players get value for their money, Providence will peg the casino chips value to the current cryptocurrency exchange rates. The players can then engage in various games in the world class casino and easily cash out their winnings into cryptocurrency once more.

But the fun does not end with gaming alone. Providence is dedicated to creating a truly cashless enterprise. This will be enabled by our innovative blockchain technology will be integrated into every retail outlet in the casino, including the hotel, restaurants and luxury product stores. All revenues generated by the retail outlets will again be secured in fiat at rates pegged to the current currency rates. This integration will enable people to enjoy truly seamless experiences across our wide range of services offered in the physical realm. All products in the hotel, restaurant and stores will be priced in cryptocurrency pegged on fiat currencies to ensure that people get value for their money whilst using cryptocurrencies.

## **How the cashless casino idea emerged**

As you already know, online cryptocurrency casinos have taken off, but there's currently no place you can go to physically spend your cryptocurrency to gamble. Online casinos can be fun, but nothing compares to the true casino atmosphere as you and your friends cheer each other on in your favorite action-packed casino games. We truly understand that in as much as cryptocurrency has gained widespread use it still has not been embraced and used to its fullest capacity. On the other hand, online gambling, where cryptocurrency has been embraced, accounts for only 10 percent of the industry's revenue indicating that a large proportion of players prefer the traditional physical casinos. However, in the real world, physical casinos remain highly exploitative to the players with the establishments playing the gatekeeper's role. As such, there is need for decentralization of the gambling industry which can be achieved through the blockchain technology. Through the adoption of cryptocurrency, there is the possibility to eliminate some prevalent issues in the traditional gambling industry including need for trust.

The adoption of the blockchain will help automate some of the crucial elements that have enhanced online gambling while at the same time reducing the risk of fraud in the physical casinos. On the business side, the adoption of the blockchain will help develop a more sustainable model that minimizes operational costs and overheads which in turn can be translated to higher payouts to the players. For instance, the reduction in credit card charges currently incurred by players in converting fiat into casino chips and for payment of services within the premises will become a very welcome cost saving in Providence. In addition, the casino chips will be cryptographically verifiable and as such easily auditable reducing the potential for fraud by gamers. We therefore, propose a hybrid casino that combines the blockchain and the real life

gambling experience in a truly amazing manner. It is our aim to bring you the world-class casino experience in true blockchain form. Never before has there been one stop to spend an incredibly fun time with friends and family, all in cryptocurrency.

### **The cryptocurrency price volatility issue and how to solve it**

One of the major issues with cryptocurrency and one which continues to challenge its acceptability as an asset is its price volatility. Some of the major cryptocurrencies such as Bitcoin, Ether, Litecoin and Ripple have experienced triple figure percentage growth in just a span of a year or two. Moreover, their prices keep fluctuating daily making them difficult instrument for measurement and store of value. As such, these price fluctuations are expected to be a major issue of concern for Providence as it promises a fully cashless experience. There is the need for Providence to ensure that players get value for their game's worth and that their winnings are protected. For this reason, once a player has finished playing in our world-class casino and is looking to cash out their winnings, they will experience what it means to avoid the volatility of cryptocurrency. Because, upon cashing out, the casino chips are converted back into cryptocurrency and transferred directly into our specially designed casino wallets. This is where the real benefits begin...

**Using blockchain technology and smart contracts, we lock down your winnings pegged to the current currency rates for a maximum of 72 hours. This presents an incredible opportunity for you as you will not be subject to the volatility of cryptocurrencies.**

For example, if you cash out S\$1,000 worth of cryptocurrency, and the value drops by 30% (or any amount) the next day, or at any time within those 72 hours, you are PROTECTED. You have

a full 72 hours to claim your full S\$1,000 **in fiat**, no matter what happens to the cryptocurrency market in that time period.

Besides this a player can elect to let their winnings ride in a market uptrend. How?

Cashing out into our casino cryptocurrency wallets is a true zero-risk opportunity with serious upside. We present our players the opportunity to **increase** their winnings if their cryptocurrency increases in price during those 72 hours.

For example, if your \$1,000 in cryptocurrency increases by 20%, you can elect to let the full 72-hour time limit expire to claim that extra cash. You'd now have S\$1,200 instead of S\$1,000.

And remember, if it goes down, **you're protected** by smart contracts on the blockchain. Thus, when you cash out at our casino, you keep *at least* your full winnings, with the opportunity to earn more if your cryptocurrency rises in value.

## **The Providence project**

Providence casino project will run under an application developed on the Ethereum blockchain. Ethereum, a smart contract based blockchain provides an ideal solution for the cashless casino as transactions can be easily conducted through participants actions without necessitating human action. As such, gamers can easily visit the casino, exchange their cryptocurrency for chips and proceed to play their preferred game without need for human actors and administrators.

Ethereum allows organisations like Providence to develop and embed applications (Dapps) on its main network without necessitating the need to develop a new blockchain altogether and as such is a much faster, convenient and reliable avenue for building the platform upon which the casino will run. Moreover, with Ethereum the security of the casino system will be assured and can be monitored easily due to the transparency and consistency afforded by cryptographic verifications.

Further development of the Raiden technology on the Ethereum blockchain is viewed as an ideal technology that will drive the success of the casino business. Providence will integrate the Raiden technology extension in the Ethereum blockchain to leverage its scalability benefits. As such, the casino will have the capacity to conduct multiple transactions per second as Raiden technology has the ability to conduct over 1 million transfers per second. This is quite significant especially when the casino is busy and there is need to complete as many customers' transactions as possible. Moreover, transactions will be completed at much faster rates as well as offering customers the option of confidentiality whereby the single transfers are not necessarily displayed in the globally shared ledger. Furthermore, the Raiden technology is expected to be interoperable and as such can work with any token that follows Ethereum ERC20 standard. This widens the scope of cryptocurrencies that gamers can use at the casino as they can be easily exchanged for

chips through Providence's blockchain application. Most importantly, the project is expected to support micropayments and charge lower fees all of which will be of huge benefit to the gamers. In the spirit of providing visitors with a truly cashless experience, Providence blockchain application will help customers to pay using cryptocurrency for the various services offered in toher premises such as hotels, luxury stores and restaurants further enhancing the ease with which they can spend their digital currency in the physical realm.



## **ICO**

Providence seeks to raise 50 Million USD in its initial coin offering. This amount is set to be raised in two phases; pre-seed and ICO both of which will be crowdfunded.

The pre-seed funding seeks to raise an initial 5.5 Million USD which will be used in Engaging Design consultants and recruitment of relevant back end office staff, Procurement of PROVIDENCE Casino Licence and securing of 99 years lease for Casino Premises.

Upon the completion of these activities, Providence will then issue an ICO through token sales to raise the remaining 44.5 Million USD. The funds raised from this token sale will be allocated in the following manner:

500,000 USD - Fully develop Blockchain technology for Cash less Casino

20 Million USD - Refurbishment and Renovation works, Casino Equipment

24 Million USD - Running Operation Costs and Liquidity for Casino

The dates for the preseed and ICO will be communicated through our website, and various blockchain forums. An initial supply of 100,000,000 tokens will be put up for sale in the ICO and the price will be pegged on current Ether prices.