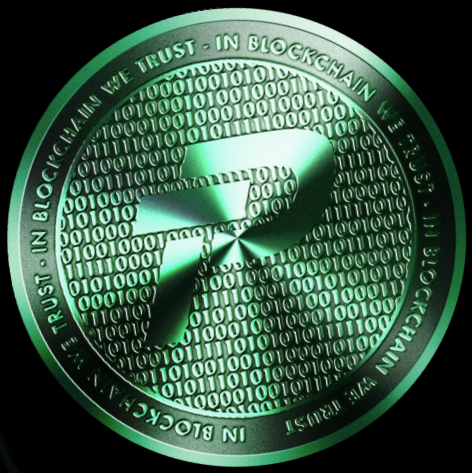


PromoToken (PRT)

WHITEPAPER

A Controlled Promotional Token Standard for Online Gaming

Version 1.8

1. Introduction

Online gaming operators rely heavily on promotions—bonuses, free spins, cashback—to acquire and retain users. These promotions are usually tracked in centralized systems that are opaque, hard to audit, and prone to fraud and abuse. On the other side, naïve "bonus tokens" on public blockchains often become speculative assets, creating new compliance and liability risks.

PromoToken (PRT) introduces a Controlled **Promotional Token (CPT) standard**: a programmable on-chain representation of promotional value that is **non-speculative by design**, supports **expiry, transfer limits,** and **redemption constraints**, and can evolve into a more general utility or tradable token once the ecosystem is mature and compliant. PRT is initially deployed on **TRON** as an extended **TRC-20** token with embedded behavioural rules, operator roles, and lifecycle management tailored to online gaming.

2. The Problem

Online gaming operators face several structural issues around promotions:

OPAQUE LIABILITIES

Bonus balances and unredeemed promotions are tracked in internal databases. Management, regulators, and auditors lack a transparent view of total outstanding promotional liability.

BONUS ABUSE & MULTI-ACCOUNTING

Users can create multiple accounts or collude to claim and cycle bonuses, cash out quickly, or exploit loopholes in terms and conditions.

LIMITED PORTABILITY

Promotions are siloed within a single operator's system. There is no standard to move promo value between brands or platforms in a controlled way.

REGULATORY PRESSURE

Operators must manage AML/KYC, self-exclusion, and responsible gaming obligations while running aggressive promotional campaigns.

NAÏVE TOKENIZATION RISKS

Simply issuing a standard fungible token (e.g. TRC-20) as "bonus credits" can:

- Turn promos into **tradable speculative assets**.
- Create unbounded liability if tokens cannot be reliably expired or burned.
- Complicate regulatory classification of the product.

3. The Solution

PRT defines a Controlled Promotional Token with the following key properties:

ON-CHAIN REPRESENTATION OF PROMOTIONAL VALUE

Minted only by whitelisted gaming operators to reward user behaviour.

STRICT BEHAVIOURAL RULES ENFORCED IN THE TOKEN CONTRACT

- **Expiry:** tokens have a defined lifetime.
- **Holding period:** tokens must be held for a minimum time before onward transfer.
- **Hop limit:** maximum number of wallet-to-wallet transfers to limit uncontrolled circulation.

REDEMPTION-FIRST DESIGN

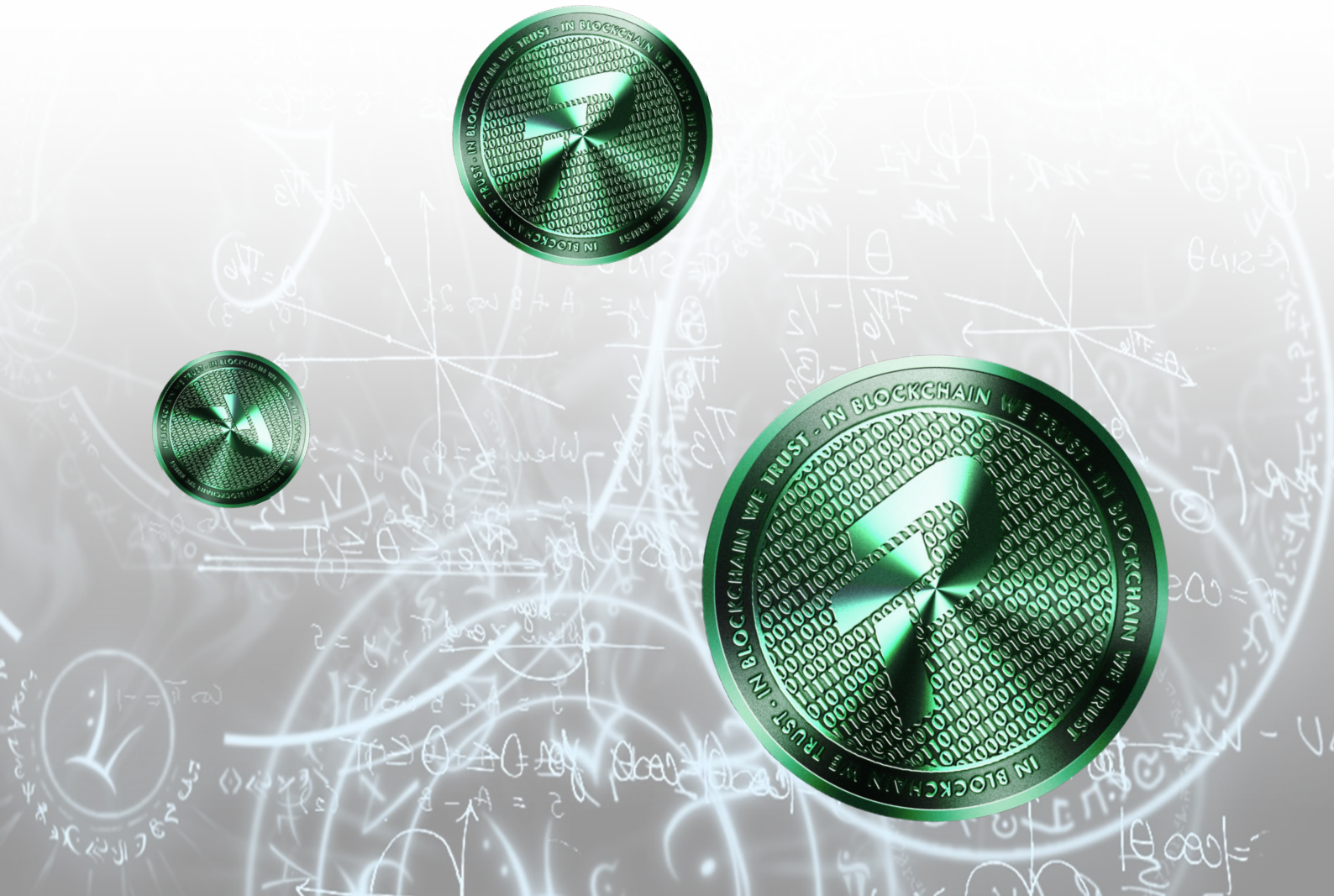
Tokens are primarily designed to be **redeemed for in-app benefits** (bonus balance, free spins, cashback, etc.), not traded on open markets.

BUILT-IN LIFECYCLE MANAGEMENT

Behaviour on expiry (soft vs hard), redemption burns, and liability tracking are part of the protocol.

PHASED EVOLUTION

Phase 1: non-speculative promotional credit.
Later phases: conditional and controlled extension into broader utility or limited market tradability, subject to governance and compliance.



4. Behavioural Rules & Lifecycle

4.1 Core Rules

Each PRT unit is governed by a set of behaviour constraints:

EXPIRY TIME

Each token (or token "lot") has an associated **expiration timestamp**. After this timestamp, it can no longer be used as an active promotion.

HOLDING PERIOD

After receiving PRT, a wallet must **hold it for a minimum of 72 hours** before transferring it on-chain to another address. This discourages instant flipping or coordinated abuse.

HOP LIMIT

Each token lot can only be transferred **up to 10 times** (10 "hops") between distinct addresses. Beyond this, it becomes non-transferable but may remain redeemable, depending on configuration.

4.2 Soft vs Hard Expiry

PRT supports separate configuration for **soft expiry** and **hard expiry**:

SOFT EXPIRY

- Tokens become **frozen** for user activity (cannot be transferred).
- Operators may still **redeem them internally** for a limited grace period or mark them as forfeited.
- Useful for giving users a final chance to redeem while signalling impending liability cleanup.

HARD EXPIRY

- Tokens are **irreversibly burned or frozen beyond any use**.
- Outstanding promotional liability is fully extinguished.

4.3 Redemption

Redemption is typically:

1. The user sends PRT to a designated **redemption contract** (or calls a redeem function).
2. The contract **burns** the redeemed amount.
3. The operator's back-end credits the user with in-app benefits (bonus balance, free spins, cashback, etc.) according to off-chain business rules.

This burn-on-redemption model ensures that **on-chain supply reflects real outstanding liability**.

5. Tokenomics

This section makes explicit how PRT behaves economically: how it is issued, circulates, and is extinguished.

5.1 Economic Role

In Phase 1, PRT is:

- A **promotional credit token** issued by regulated operators.
- **Not a claim** on profits, equity, or governance.
- **Not designed for public speculation**, and not intended to be listed on exchanges.

Its primary purpose is to **standardize, track, and control promotional value** across operators, with transparent on-chain liability.

5.2 Supply & Minting

MINT-ON-DEMAND MODEL

There is **no global hard cap** on PRT at the protocol level. Instead:

- Only **whitelisted operator addresses** with the `MINTER_ROLE` can mint.
- Each operator may be assigned a **per-period mint limit** (e.g. monthly) by governance or contractual agreement.

No pre-mine or investor allocation in Phase 1

All active supply is directly tied to promotional campaigns.

Formally:

TOTAL SUPPLY AT TIME `t`:

$$\text{TotalSupply}(t) = \Sigma\ \text{minted}_i(t) - \Sigma\ \text{burned}_i(t)$$

OUTSTANDING PROMOTIONAL LIABILITY AT TIME T IS APPROXIMATED BY:

$\text{Outstanding}(t) = \text{ActivePRT}(t) + \text{SoftExpiredPRT}(t)$ where $\text{ActivePRT}(t)$ = not yet expired, not yet redeemed or burned.

5.3 BURNING, EXPIRY, AND DEFLATION

PRT supply is **self-cleaning** through two mechanisms:

1. REDEMPTION BURN

- When a user redeems PRT for a bonus, those tokens are **burned**.
- This reduces total supply and outstanding liability.

2. HARD EXPIRY BURN/FREEZE

- Once the hard expiry time passes, any remaining PRT in that lot is **burned** or set to an unrecoverable frozen state.
- Operators no longer treat it as a liability.

Net effect: over time, **unredeemed and redeemed PRT flows back to zero**, keeping the system naturally deflationary relative to historical issuance.

5.4 PARAMETER RANGES

For risk management and consistency, PRT governance can enforce **safe parameter ranges**, for example:

- Campaign lifetime (mint → hard expiry):
  - Minimum: 7 days
  - Maximum: 365 days
- Holding period:
  - Fixed at **72 hours** in Phase 1 (may become configurable within a bounded range later).
- Hop limit:
  - Fixed at **10 hops** in Phase 1.

Operators choose campaign parameters within those ranges; the token contract enforces them.

5.5 EXAMPLE LIFECYCLE (NUMERICAL)

CONSIDER A SINGLE QUARTER (Q1):

- Operators Mint: **10,000,000 PRT**
- Over the quarter:
  - Users **redeem 6,000,000 PRT** → burned on redemption.
  - **2,000,000 PRT** reach **hard expiry** without redemption → burned.
  - **1,000,000 PRT** are in **soft expiry** (frozen, pending final handling).
  - **1,000,000 PRT** remain active and unexpired.

AT THE END OF Q1:

- **Total supply**: 10,000,000 minted – 6,000,000 burned (redeem) – 2,000,000 burned (expiry) = **2,000,000 PRT**
- **Outstanding promotional liability** (approx.):
  - Active: 1,000,000
  - Soft expired (still visible in reporting, but not user-spendable): 1,000,000
  - Total outstanding: **2,000,000 PRT**

This example illustrates how PRT naturally **captures issuance and auto-cleans** unused promotions without manual back-office reconciliation.

6. Governance & Control

PRT introduces explicit roles and a clear path from an initially operator-friendly, centralized model to a more distributed governance model as adoption grows.

6.1 SMART CONTRACT ARCHITECTURE & UPGRADABILITY

- PRT is deployed as an **upgradeable TRC-20 extension** using a proxy pattern.
- The upgrade admin is initially a multi-signature (multisig) wallet controlled by the founding company and trusted advisors.
- Upgrades are limited to:
  - Fixing security vulnerabilities.
  - Adjusting parameters within predefined bounds.
  - Adding functionality needed for new markets/chains.

All upgrades are:

- Announced in advance.
- Logged on-chain.
- Accompanied by updated documentation and, where appropriate, third-party audits.

6.2 ROLES

Core roles within the PRT ecosystem:

- **Admin**
  - Controlled by a 3-of-5 multisig.
  - Can add/remove operator minters, set protocol-wide parameter ranges, and trigger emergency pause.
- **Minter (Operator)**
  - Assigned to vetted operators after legal and compliance checks.
  - Can mint PRT up to a per-period limit.
  - Cannot change global parameters or roles.
- **Burner / Redemption Contracts**
  - Smart contracts authorized to burn PRT in response to redemption flows.
  - Typically controlled or integrated with operator back-ends.
- **Pauser (Emergency)**
  - Can temporarily pause transfers and/or minting in case of detected exploit or severe bug.
  - Held by the Admin multisig.
- **Blocklister (Compliance)**
  - Can block specific addresses from receiving or sending PRT, supporting AML, fraud, and self-exclusion requirements.
  - All blocklist actions are publicly visible on-chain.

6.3 PARAMETER GOVERNANCE

Certain parameters are governed at two levels:

- **Protocol level (global)**
  - Allowed ranges for expiry, holding period, and hop limit.
  - Default values for behaviour post-expiry (soft vs hard) in each phase.
- **Campaign level (per operator / per promotion)**
  - Actual expiry date within allowed range.
  - Whether soft expiry is enabled before hard expiry.
  - Optional segmentation flags for operator analytics.

Global parameter changes require:

1. Multisig approval (short term).
2. Over time, optional **community or stakeholder governance** (see below).

6.4 PATH TO DECENTRALIZED GOVERNANCE

As PRT adoption grows, governance can evolve:

- **Phase 1 – Founding Admin Control**
  - Multisig admin, conservative upgradeability.
  - Focus: security, operator needs, compliance.
- **Phase 2 – Advisory Council**
  - Formal inclusion of operator representatives and independent advisors in governance processes (off-chain committees informing on-chain decisions).
- **Phase 3 – Governance Layer**

- Introduction of a **governance token or staked PRT model** (subject to regulatory review).
- Governance token holders / stakers vote on:
  - Operator onboarding criteria.
  - Parameter ranges.
  - Supported chains and bridges.
- Admin multisig becomes an execution layer for on-chain governance decisions.

Roadmap and details for Phase 3 are intentionally left flexible and will be defined with legal and compliance guidance, to avoid introducing speculative or regulatory risks prematurely.

7. Technical Overview

Kept concise – expand with pseudocode, diagrams, and storage layout as needed.

- **Token contract**
  - Extends TRC-20.
  - Maintains per-address and per-lot metadata for expiry, lastReceivedTime, and hopCount.
- **Behaviour checks on transfer**
  - Ensure sender/receiver not blocklisted.
  - Check global pause flags.
  - Verify holding period: `now - lastReceivedTime >= minHold`.
  - Verify hopCount `< MAX_HOPS`.
  - Ensure token lot not past hard expiry.
- **Redemption contracts**
  - Dedicated contracts that receive PRT and burn it, emitting events that operator back-ends consume for crediting users.
- **Reporting & analytics**
  - Off-chain services index PRT events to provide dashboards:
    - Total minted/burned.
    - Outstanding active/soft-expired balances.
    - Per-operator flows.

8. Operator Integration & Business Model

This is the part that directly addresses “how a casino actually uses PRT” and how the PromoToken project captures value.

8.1 OPERATOR ONBOARDING

1. Initial contact & evaluation

- Commercial and technical discussions.
- Check licensing status, jurisdictions, and compliance posture.

2. Legal & compliance review

- KYC/AML posture, responsible gaming policies, jurisdictional restrictions.

3. Operator contract & limits

- Agree on:
  - Supported user jurisdictions and wallet types.
  - Per-period mint limits and campaign types.
  - Reporting and audit requirements.

4. Provisioning

- Assign one or more **operator wallet addresses**.
- Grant them the `MINTER_ROLE`.
- Provide API keys and sandbox access to integration environment.

8.2 INTEGRATION OPTIONS

Operators can integrate PRT using:

- **Direct smart contract calls**
  - For in-house blockchain teams that interact with TRON nodes directly.
- **REST / GraphQL API & SDKs**
  - Managed API gateway that abstracts low-level blockchain operations.
  - SDKs for common languages (e.g. Node.js, PHP, Java) to fit into existing gaming back-ends.
- **Admin dashboard**
  - Web interface to:
    - Configure campaigns.
    - See real-time mint/burn stats.
    - Export data for auditors and finance teams.

8.3 CAMPAIGN WORKFLOW (EXAMPLE)

1. Create campaign

- Operator defines in dashboard/API:
  - Campaign name and ID.
  - Reward rules (e.g. "deposit > 50 USDT → 10 PRT").
  - Expiry timeline (soft + hard) within allowed ranges.
  - Any additional metadata.

2. Mint PRT

- When user behaviour meets criteria, operator back-end:
  - Calls the mint endpoint, assigning PRT to the user's TRON address.
- Token contract:
  - Records expiry and initial hopCount.
  - Emits events for analytics.

3. User wallet & in-app view

- User sees PRT balance both:
  - In their on-chain wallet (if non-custodial), and
  - In operator's UI as "PromoToken Credits" with a visible expiration time.

4. Redemption

- User chooses to redeem PRT for a bonus (e.g. free spins, cashback).
- Operator prompts a blockchain transaction:
  - PRT sent to redemption contract, which burns tokens.
- Operator credits internal bonus balance based on its own business rules.

5. Expiry handling

- Upon soft expiry:
  - User can no longer transfer tokens.
  - Operator may still allow limited redemption based on policy.
- Upon hard expiry:
  - Tokens are burned/frozen irrevocably.
  - Operator's outstanding liability is reduced accordingly.

8.4 BUSINESS MODEL (HOW PROMOTOKEN EARNS)

The PromoToken project monetizes via **B2B infrastructure pricing**, not through speculative token sales.

Example model (parameters can be tuned with partners):

1. Platform access (SaaS) fee

- Monthly or annual subscription per operator.
- Tiered by scale (e.g. based on active users or mint volume).

2. Usage-based minting fee

- Small fee per **1,000 PRT** minted (paid in USDT, TRX, or a stable settlement asset).
- Aligned with actual promotional volume.

3. Optional add-on services

- Custom integrations and dedicated support.
- Advanced analytics and segmentation tools.
- White-label dashboards.

No fees are charged to **end users** at the token level in Phase 1; their experience is purely promotional.

8.5 ECOSYSTEM VALUE ALIGNMENT

- Operators gain:
  - Better control over promo spend and abuse.
  - Clear, auditable view of promotional liabilities.
  - A differentiated on-chain user experience.
- PromoToken (the project) gains:
  - Recurring infrastructure revenue.
  - A growing network of integrated operators and campaigns.
- Users gain:
  - Transparent, portable, and trusted promotional credits they can verify on-chain.

9. Roadmap

PHASE 1 – TRON CPT LAUNCH

- Deploy core PRT contract on TRON mainnet.
- Integrate first 1–3 operators.
- Provide basic dashboards and API.

PHASE 2 – ECOSYSTEM & TOOLS

- SDKs, deeper analytics, fraud-detection integrations.
- Operator council formation.

PHASE 3 – GOVERNANCE LAYER

- Introduce formal governance process (and optionally a governance token) in a compliant manner.
- Expand role of operator and community input in parameter decisions.

PHASE 4 – MULTI-CHAIN EXPANSION

- Explore deployment or bridging to other chains (e.g. EVM chains) with clear economic and governance rules.

10. Risks & Considerations

SMART CONTRACT RISK

- Bugs or vulnerabilities despite audits. Mitigation: multiple audits, bug bounties, and emergency pause.

REGULATORY RISK

- Changing gaming and crypto regulations may impact design or deployment in certain jurisdictions.

ADOPTION RISK

- Success depends on operator adoption and integration; product must remain simple and clearly valuable.

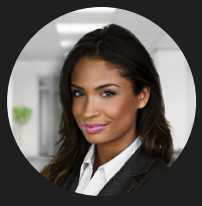
BRIDGE/MULTI-CHAIN RISK (LATER PHASES)

- If bridged, standard bridge security and liquidity risks apply and must be carefully managed.

11. Management Team

The management team consist of founding partners and skilled individuals with years of invaluable experience within Software architecture, Blockchain development, Corporate Management, Business strategy, Marketing & Social media. Their responsibility is to support complete delivery of as active partners in the business.

Nicholas Anderson
CEO & Founder



Maia M. Patel
CFO & Partner

Francis Dumont
CTO & Co-Founder

Adrian P. Loo-kay
CMO & Co-Founder

12. Advisory Board

The advisory board is composed of skilled individuals with years of extensive, industry-relevant experience. Their main objective is to aid the management team with valuable advice along the various project phases.

Simon R. Neübauer
Strategic Researcher (DLT)

Michael Ruiz Jr.
Strategic Researcher (DBSM)

Peter J. Edwards
Fintech & Cybersecurity

Jean-Louis Kern
Financial Services

Tim Welsh
Blockchain Expert

Alice Peterson
Tokenization

Anthony S. Lee
Entrepreneurship

Magdalena Bernal
Legal advisor

James Preston
HR & Customer Experience

Aiden Yong
Blockchain & Decentralization

Mohammad Nour
Initial Coin Offering

13. Conclusion

PRT provides online gaming operators with a purpose-built, controlled promotional token standard that:

- Maps promotional value onto an open blockchain with clear, enforceable lifecycle rules.
- Reduces bonus abuse and simplifies liability management.
- Keeps speculative behaviour at bay in early phases while preserving a path to richer utility and governance in the future.

With explicit **Tokenomics, Governance & Control**, and a clear **Operator Integration & Business Model**, this version of the whitepaper is designed to be actionable for both technical teams and business stakeholders.

PromoToken

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"Blockchain technology isn't just a more efficient way to settle securities. It will fundamentally change market structures, and maybe even the architecture of the Internet itself."

- Abigail Johnson