

 GAMES

# TOWNSTAR

★ LITE PAPER ★



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# 1. DISCLAIMER

Please note that this document is subject to change at any time. In particular, the numbers provided here, unless otherwise specified, are for comparative purposes only. All Items may be subject to change as the game service and tokenomics evolve. **In particular, items marked with an asterisk (\*) are still in active development and may be removed or adjusted substantially prior to release.**

What does this mean for you as a gamer? Basically, it only means that like all other live service games, changes WILL be made. There will ALWAYS be some tuning changes to be implemented, updates to the meta, and occasional pieces of new content that may change the game in ways that you may love or hate. This is one of the things that makes games fun, but it is also one of those things that sometimes makes it difficult to predict the exact scope of utility for a specific NFT at some point in time in the future. So, with this in mind, if you decide to purchase NFTs, do it from the perspective of making a purchase to enhance your current gameplay, not because you have an expectation of any sort of long-term value because the game could very well change to reduce that in the future, the markets could change, or any number of things could occur reducing the perceived value of your NFT.

At Gala, gameplay comes first.

\*\*Gala Games makes no predictions, promises or speculations about the value of GALA COIN or TOWN COIN.



## 2. INTRODUCTION TO TOWN STAR

Town Star is a web3 competitive town simulation game and was the first game on the Gala Games platform. While it appears deceptively simple, it has within it complex systems and interrelations that make it a joy for players interested in solving puzzles or building complex systems with an emphasis on competition.

The first incarnation of Town Star, initially created by Michael McCarthy and his team, was a client-authoritative version based on the PlayCanvas game engine. This version, which is still live, is referred to in this document as “Town Star Live,” or “TSL.” In TSL, players can compete in timed competitions to gather resources, craft items, and construct their towns to earn Stars for a chance to rank in the leaderboards to receive rewards. Players can also play in a casual sandbox mode to build towns and practice strategies for future competitions. Town Star Live is a free to play game, with options to purchase NFTs.

However, the structure of TSL presented some challenges when it came to creating a game that could truly be considered lasting, foremost among which is the fact that the PlayCanvas engine is client-authoritative. What this means is that the game client - i.e. the device the user uses - is considered the source of truth for in-game actions. This makes it vulnerable to a number of different exploits and makes it difficult to construct truly sweeping towns as the client device must remain engaged with the window in which the town is displayed in order for it to function correctly. This limits town size and complexity, but also makes for an extremely suboptimal playing experience. Various methods were attempted to cope with these issues, but it was determined that the best way to solve them would be to start over fresh.

This brings us to the impending relaunch of Town Star! Within the next several months, the new version of Town Star, Town Star Forever (TSF), will be released worldwide and will be based on the GODOT game engine. This new version, produced by Mark Skaggs, the father of Farmville, and his team, will change the game forever. While TSF will initially share many similarities with TSL, TSF will be server authoritative. This means that the game can function on the server with the user logging into the server to check the status of their town, make updates, sell crops, place NFTs, etc, in a manner that is more consistent with what users expect from a town building game. This will also reduce computational costs on the user device as the server will bear the burden of plotting actions and the user device will simply display those actions. Finally, the server-authoritative model solves many of the potential exploit problems as users can no longer simply exploit the code on their own device.

The initial launch of Town Star Forever is simply to bring the game to parity with the older Town Star Live content and provide a platform for growth from there. Users that love Town Star Live should not notice much of a difference in their gameplay, game rules, or style. However, they will notice that the game runs much more smoothly, and can continue running if they have minimized a window. Most importantly, this switch to the GODOT game engine will facilitate a much better cadence of updates and result in a much better game experience for all.

Town Star Forever will continue to support the legacy of NFTs from TSL.



## 2. INTRODUCTION TO TOWN STAR (CONT.)

### 2.1 Town Star Currencies and Points

TOWN was previously the game token of the Town Star ecosystem, which is an ERC-20 Token governed by contract **0x3Dd98C8A089dBCFF7e8FC8d4f532BD493501Ab7F**. It is being replaced by the GALA token as the primary token used in the Town Star ecosystem.

**Town Points** - Town Points are earned one of two ways:

- Town Points are acquired by the placement of points-linked NFTs on the Town Star game board. Playing the game and completing the daily challenges allows a user to collect the Town Points associated with the NFTs they have placed on the board.
- Town Points can also be acquired through the competition play mode and placement in the leaderboard. The higher the user's in-game score is, in Stars (see below), the higher their ranking in the leaderboard and the larger the amount of Town Point distribution they qualify for.

At the end of the day, GALA mint allowances are assigned in proportion to the Town Points players have accrued through gameplay in the preceding 24-hour period. Please see the Tokenomics section for more information.

**Stars** - The in-game points system to place on leaderboards and complete daily objectives. This point counter is also tied to the town instance and rewarded through selling supplies and crafted inventory. Stars cannot be spent or used in game in any way, shape, or form, and are just an indicator of how well a user is doing in their quest to become the world's foremost Town Star player.

**Cash** - The in-game soft currency players accrue to purchase structures and upgrades, as well as to pay the wages for the workers within the town. When a user's "cash" balance drops to zero, the workers go into idle mode and no further progress is made. In order to resume progress, the user must sell some crafted items or supplies. This currency is tied to the town instance and rewarded through selling items and crafts via the various trade buildings within Town Star. Cash has no value, cannot be transferred between game instances or from user to user.



### 3. STATE OF TOWN STAR

**Launch Date:** Town Star was launched March 28th 2020 with “Play-to-Earn v1” going live in late 2021. While this initial economy was very interesting for players, it suffered from a number of shortfalls stemming from the fact that it was a client-authoritative model, as discussed above, which introduced vulnerabilities and potential triggers for somewhat runaway inflation.

In the first year, 564,958,142.78 TOWN was awarded to the Town Star ecosystem. While this relatively high rate of emission was a positive experience for some players, it was bad for the long-term viability of the game. It became clear that something needed to be done to fix this situation and create a long-term solution building towards a sustainable economy. A decision was made by Town Star and Gala executives to halt distribution while the economy and game were updated.

Therefore, on July 19th, 2022, all TOWN distribution was paused. The plan is for this to remain paused while the economy and game are updated. Town Star Live continues to run, without TOWN distribution turned on. TOWN distribution will no longer be turned back on. Instead, distribution is expected to resume by early 2023, and will be using GALA as the distribution currency. The distribution of GALA through the Town Star distribution will be calibrated so that the GALA token emissions will be non-inflationary for the time being.





## 4. TOWN STAR ON GODOT

As explained briefly above, the migration of Town Star to the Godot engine will bring many new and exciting features. Moving into the future the Godot engine will give us a strong foundation to build upon and let us evolve Town Star and expand its gameplay.

The initial version of Town Star on Godot will play very similar to the current live game, and will also include slight modifications. Some of the core technical differences include Server authoritative gameplay, Server Side Town Simulation, and Live Service Data Tools.

Players will experience:

- Secure gameplay
  - Player actions and data will take place on the server to increase security and reduce the ability to cheat
  - Competition Leaderboards will be faster to audit with a higher degree of accuracy
- Town progression while you are offline
  - Towns will run on servers rather than locally on the player's machine, and will remove the need to have your town open to progress
- More events with exciting new Metas
  - New tools will help our developers set up and prepare events, competitions, and gameplay updates

As the Town Star ecosystem evolves, we plan to introduce new elements to the economy and game. Examples include:

- Persistent mode, Consumables, Cosmetics
- Leasing
- Rewards
- New competition modes

Additionally, as the game continues to evolve, specifically with the integration of Gala's L1 Blockchain, utility will return to some segments of the game which had previously been set aside.

- **Crypto Crafting** - The integration of Gala's L1 Blockchain will enable crypto crafting to be re-enabled, allowing users to construct and use their bots in the Town Star ecosystem.
- **Town Star Nodes** - We are aware that some Town Star Node holders are eagerly awaiting increased utility. We would like to reassure those who operate Town Star Nodes that a plan is being developed to bring additional and unexpected utility to your nodes, both in terms of gameplay and token generation potential.



## 5. TOKENOMICS

One of the key factors which we feel was in need of rebalancing from the initial Town Star distribution was the tokenomics of that distribution itself. While the concept of distribution was based on which NFTs were placed, the overall ecosystem was at risk of overheating. As can be seen in the relatively rapid increase in token supply, this clearly didn't meet our requirements for a long-term sustainable economy.

Therefore, we have redesigned the entire economy to be non-inflationary in terms of GALA emission for the time being. Central to this ecosystem is the burn-and-mint process, by which players remove GALA tokens from supply as a way to "purchase" NFTs and perform in-game actions.

GALA burnt by players in the course of gameplay or to acquire additional NFTs is sent directly to the black hole address and cannot be accessed by anyone. A given day's burn is tracked, and is used as an input to the **Allowance Calculation** to determine the size of the **Town Star Distribution Fund**, **Permanent Reduction Quantity**, and **Gala Allowance**.

The **Allowance Calculation** uses Type of Spend, Game Population, Average Spend, and Current Circulating Supply to determine the healthy allowance to the Town Star Distribution Fund, Permanent Reduction Quantity, and Gala Allowance. The Allowance Calculation attempts to maintain a healthy GALA economy by increasing or decreasing the amount of GALA emitted.

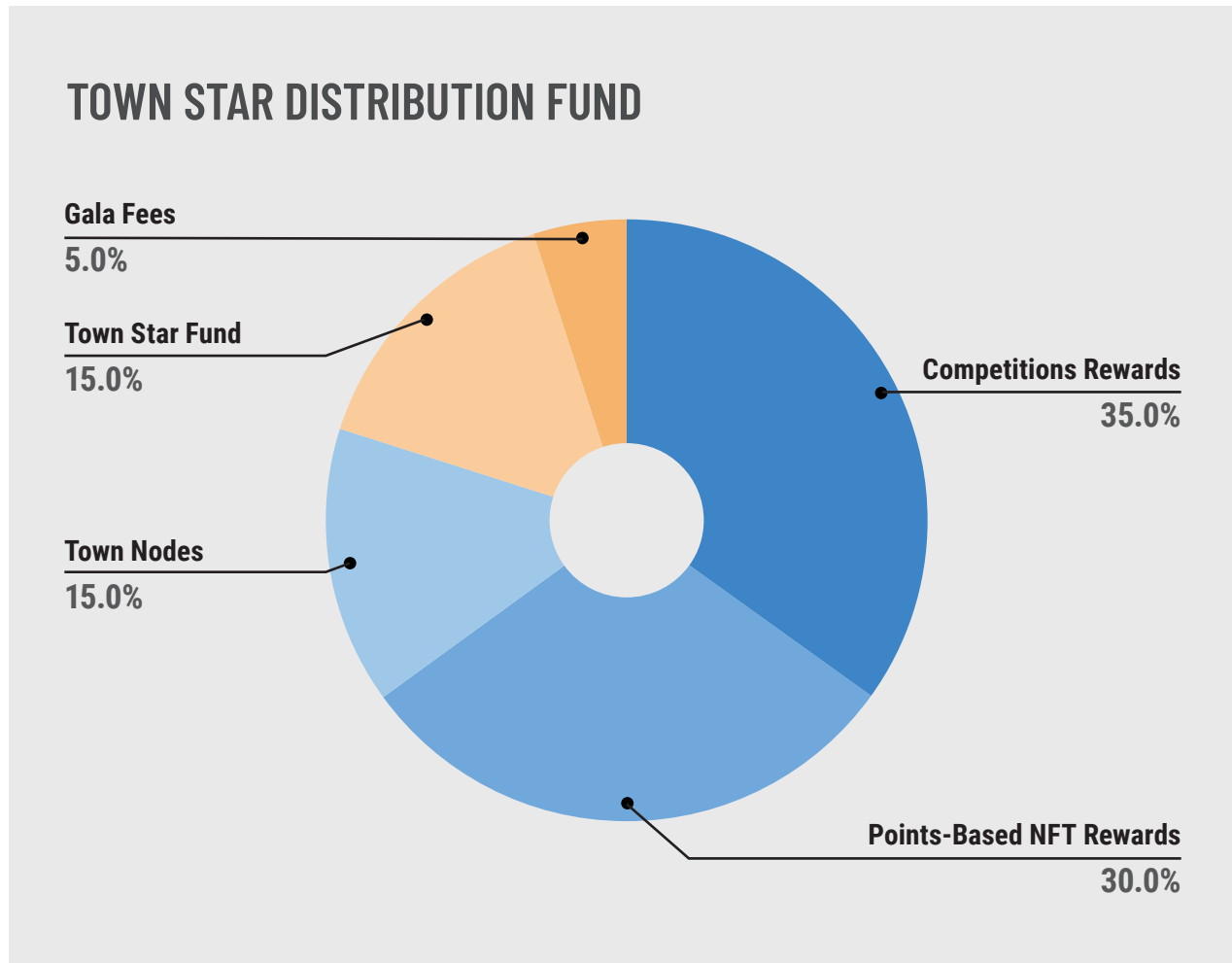
**Type of Spend:** For Town Star NFT sales in GALA, 80% will be awarded to the Gala Allowance, and 20% will be awarded to the Town Star Distribution Fund and Permanent Reduction Quantity. For in-game sales in GALA, 0% will be awarded to the Gala Allowance, and 100% will be awarded to the Town Star Distribution Fund and Permanent Reduction Quantity.

**Town Star Distribution Fund:** The Town Star Distribution Fund is the quantity of GALA that will be allocated for re-mint allowances as determined by the Allowance Calculation. This segment is broken up into five different categories. As with all numbers, these are subject to change.

- **Competitions Rewards:** 35%
- **Points-Based NFT Rewards:** 30%
- **Town Nodes:** 15%
- **Town Star Fund:** 15%
- **Gala Fees:** 5%



## 5. TOKENOMICS (CONT.)

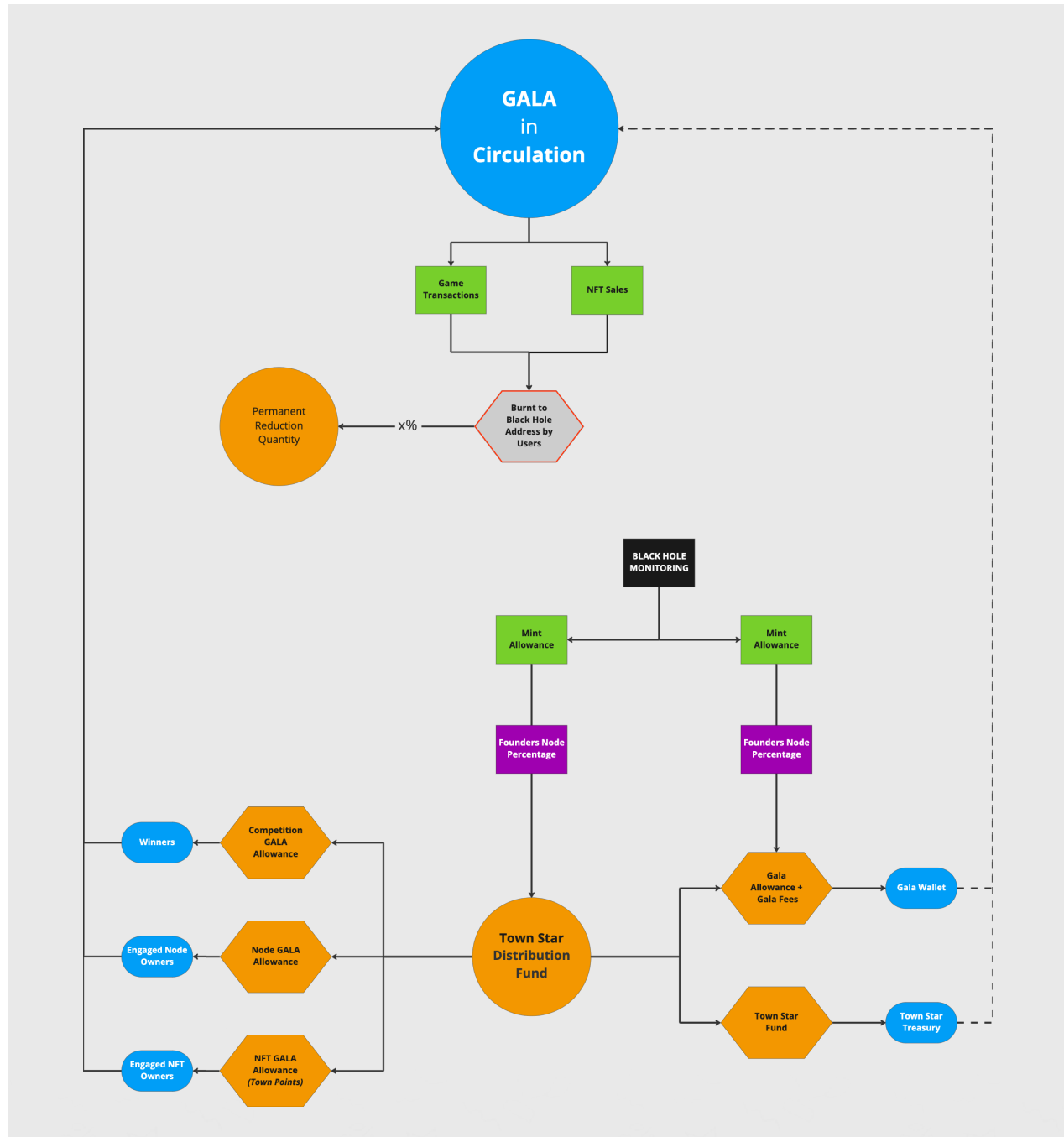


Currently, the concept behind creating the Town Distribution Fund is to ensure Town Star promotes the healthy use of the GALA token over time. While we do this, there is the potential to increase the Town Distribution Fund over the short term as a user acquisition feature.

**Permanent Reduction Quantity:** This is the quantity of GALA that has been burnt forever and will not be a part of the Town Star Distribution Fund. This quantity will increase or decrease over time based on the Allowance Calculation. The starting Permanent Reduction Quantity of GALA is 0%.

**Gala Allowance:** Funds teams, ecosystem growth, infrastructure, and technology across Gala.

# TOWN STAR DISTRIBUTION FUND BREAKDOWN



Flow chart visualizing GALA distribution

# TOWN STAR DISTRIBUTION FUND BREAKDOWN (CONT.)

## Competition

Competitions will have a regular cadence where players are rewarded Stars through gameplay actions to rank on the leaderboard. At the end of a competition, rewards from the **Competition GALA Allowance** will be distributed to players based off of their leaderboard placement if they meet the reward threshold. Rewards will be tiered, where higher rankings will result in greater rewards.

There are multiple types of Competition Rewards:

- NFTs
- Competition GALA Allowance
- Additional Possible Reward Types (In-Game Currencies, Consumables, etc.)

Not every competition will reward GALA from the Competition GALA Allowance. In these scenarios, the allowance will be stacked for the next competition where GALA is awarded from the Competition GALA Allowance, creating a larger reward pool.

## Reward NFTs

NFT's which earn **Town Points** are referred to as "**Reward NFTs**". Rewards for Town Points come from the **NFT GALA Allowance** pool. In order to be rewarded, NFTs must be placed in Town Star, and players must complete the Daily Challenge in order to collect. GALA rewards will initially be granted on a daily cadence, but may switch to weekly.

## Town Nodes

Town Nodes, the nodes meant to support the Town Star ecosystem, will start by helping pin content in the DCDN Network, and will be rewarded for their support. Similar to being rewarded NFTs, node operators who are contributing to the Town Star ecosystem will be rewarded based on their contributions. The GALA allowance will be distributed equally across all Town Nodes that meet the operation criteria. Node functionality is still in development and subject to change.

## Town Star Fund

GALA entering the **Town Star Fund Allowance** will be stored in the **Town Star Treasury**. The Town Star Treasury is a fund controlled by the Town Star team and primarily used to help fund the live service, development, marketing and events for Town Star. Events can be used for holidays, tournaments, game bonuses, and more. Stay tuned for more details as Town Star evolves.

## Gala Fees

A portion of the Town Star Distribution Fund that funds the teams, ecosystem growth, infrastructure, and technology across Gala.



## 6. MOVING FORWARD

As we move forward with the game of Town Star, we will be introducing new elements to the economy and gameplay, gradually evolving and adding to the robust and entertaining player experience. Come chat with us in Discord and join us on our exciting Town Star journey!



## DISCLAIMER

PLEASE READ THE ENTIRETY OF THIS “DISCLAIMER” SECTION CAREFULLY.

The information set out herein is only conceptual, and describes the future development goals for Town Star. In particular, the tokenomics plan in the Litepaper is being shared in order to outline some of the plans of the Town Star team, and is provided solely for INFORMATIONAL PURPOSES and does not constitute any binding commitment. Please do not rely on this information in making purchasing decisions because ultimately, the development, release, and timing of any products, features, or functionality remains at the sole discretion of the Company, the Distributor, or their respective affiliates, and is subject to change. Certain statements, estimates, and financial information featured in this Litepaper are forward-looking statements that are based on and take into consideration certain known and unknown contingencies and risks which in eventuality may cause the estimates or results extrapolated or expressed in such forward-looking statements herewith. Further, the Litepaper or the Website may be amended or replaced from time to time. There are no obligations to update the Litepaper or the Website, or to provide recipients with access to any information beyond what is provided herein.

