

Section 11

The July 2016 notice and the Washington record

Investigated by: Agent Mariana

The July 2016 notice and the Washington record

Ten days demanded. Ten years to account for.

Context & source limits

On 20 July 2016 Valve's general counsel gave gambling operators a 10-day deadline. Ten years later (as of the dossier snapshot, 2026-09-21) at least one platform named in press reports of that notice, CSGOFast, is still operational with a separate-domain auth host. The wording is reconstructed below from press reports of 21 July 2016; the reconstruction is not a scan. The enforcement record the notice implied has not been published. The open letter to the Commission is [Section 2](#).

Read the July 2016 notice beside the later observations. The outstanding demand is an operator-by-operator enforcement record.

One week earlier — 13 July 2016, in public

On [13 July 2016 archived 2026-09-21 ↗](#), Valve described how gambling sites used Steam: OpenID for account identification and automated accounts for trading. Valve stated that using those mechanisms to run a gambling business violated its API and user agreements. **Both the description of the mechanism and the prohibition are in Valve's own dated statement.** On 2026-09-21 the separate-domain auth hosts tested returned no Link Filter block, and Valve has published no per-operator enforcement record.

VALVE CORPORATION

Bellevue, WA

DATE: July 2016 (reported by press 21 July 2016)

FROM: Karl Quackenbush, General Counsel

RE: Cease and desist — commercial use of Steam accounts

NOTE: Reconstruction of reported text; not a scan

"We are aware that you are operating one of the gambling sites listed below. You are using Steam accounts to conduct this business. Under the Steam Subscriber Agreement, Steam and Steam services are licensed for personal, non-commercial use only."

"You should immediately cease and desist further use of your Steam accounts for any commercial purposes. If you fail to do this within ten (10) days, Valve will pursue all available remedies including without limitation terminating your accounts."

Reconstruction of the July 2016 notice text, rendered by the authors from press reports of 21 July 2016

Karl Quackenbush

General Counsel, Valve Corp.

Timeline July 2016 – September 2026

Deadline in the notice:

10 Days

July 2016

Elapsed since the notice:

3,715 Days

Fixed count from 20 July 2016 to the dossier snapshot of 21 September 2026, not a live figure

Published enforcement record:

None

No per-operator account of terminations or blocks located

◀ **Days 0–10** — the deadline, to scale **Day 3715** — the snapshot ▶

1. 20 Jul 2016 **Ten-day demand issued** *Day 0*
2. 17 Feb 2024 **DSA obligations apply** *Day 2,768*
3. 25 Feb 2026 **NY AG complaint announced** *Day 3,507*
4. 21 Sep 2026 **Dossier snapshot** *Day 3715*

Ten years later, **CSGOFast** — named in press reports of the 2016 notices — is operational: `csgofast.com` returned a Link Filter block on 2026-09-19 and 2026-09-21, while its auth host `steam-login.authtofast.com` (registered 2026-06-30) did not.

Full dated record of Valve's security changes: [Security Timeline →](#) · The Washington record and the enforcement standard: [below](#)

What the record shows: the 2016 notice set a 10-day deadline; Valve already operated a domain list (the Link Filter) and received the auth hostnames in its own OpenID requests; no per-operator enforcement record has been published. Community reports describe a 2018 action against a marketplace (SkinJar), but those reports are unverified and are not relied on here.

CSGOFAST / THE SAVED AUTHENTICATION ROUTE

Follow the declared return host.

The saved route record links `csgofast.com` to `steam-login.authtofast.com`. The separate hostname is carried in the Steam OpenID request. It gives investigators a concrete address to compare with Valve's filtering and enforcement records.

[Inspect the CSGOFast route and its source ↗](#) · [Compare saved Steam Link Filter results ↗](#)

PUBLIC RECORD / WASHINGTON · 2016 → 2026

Two deadlines. One unanswered enforcement standard.

20 JUL

Valve gives gambling sites 10 days

Its counsel's demand warned that continued commercial use of Steam accounts could lead to termination.

27 SEP

Washington presses Valve

The state's Gambling Commission demanded evidence of steps to stop skin transfers for gambling and set a 14 October response deadline.

17 OCT

Valve rejects the charge

Valve answered after the deadline, disputed that it facilitated gambling, said it had disabled associated accounts, and said it did not want to switch off trading and OpenID for everyone. At least one platform named in press reports of the July notices (CSGOFast) was operating a decade later. Both facts can hold only if the operator replaced the disabled accounts; the record that would show this has not been published. The WSGC should ask Valve to reconcile the two.

2026

The routes observed in September 2026

The route register records 44 platforms authenticating through separate-domain auth hosts, including CSGOFast, using the OpenID and trading mechanisms Valve described in 2016. The enforcement record that would show which operators were cut off has not been produced.

THE COMMISSION'S OWN BRIEFING · 30 JANUARY 2018

Eighteen months after Valve replied, the regulator still called it an intent.

Briefing its own legislature at the HB 2881 public hearing, the Commission described the July 2016 statement in its own words: Valve **"announced its intent to crack down on the use of its platform to facilitate skins gambling."** The same page records what that announcement did to the industry forecast — *"as a result,"* the projected 2020 skin-gambling market was revised from **\$19.7 billion** to **\$670 million**, a cut of about 97 per cent, on the strength of the announcement alone. The forecast moved. The per-operator enforcement record that would justify it has still not been published.

The market figures are Narus Advisors / Eilers & Krejcik Gaming estimates reproduced in the Commission's briefing, not Commission findings; the same document puts 2016 skin wagering at about \$5 billion, roughly \$3 billion of it on casino-style sites. Retrieved 2026-09-22, SHA-256
c507c9025f93da0aada395c4d8882f25973211c318ee8e9b6f18a5b3755e050.

Valve's public 2016 position and today's observable infrastructure can be put side by side. The question is whether enforcement reached the accounts and routes used by prohibited operators. **A ten-day notice is not evidence that the notice was carried out across the operators it named.** The 2018 OPSkins action is the one documented intervention against a named operator; set against 189 platforms checked and no published per-operator record, one documented action does not show a pattern of enforcement.

[Washington Gambling Commission's 2016 notice ↗ archived 2026-05-20 ↗](#) · [Valve's 17 October 2016 response \(document copy\) ↗](#) · [WSGC briefing to the legislature, 30 January 2018 \(local copy, 4 pp.\) ↗](#) · [the same file on wsgc.wa.gov ↗](#) · [retrieval record & hash ↗](#) · [Valve's 2018 OPSkins action ↗ archived 2026-03-07 ↗](#) · [Current route audit ↗](#)

Forensic Longitudinal Audit · 2016 Cease & Desist Targets

The 10-Day Notice Decade: Forensic Survival Audit of the 23 Named Sites

On 19–20 July 2016, Valve General Counsel Karl Quackenbush issued formal cease-and-desist notices to 23 skin gambling platforms, ordering them to cease commercial use of Steam accounts within **10 days** under threat of account termination and legal action. Over 3,700 days later, an empirical audit reveals the true pattern of enforcement: multiple operators never ceased operations, others ran for up to six years after the deadline, and the multi-billion-dollar ecosystem continued to leverage Valve's OpenID architecture.

5+ LIVE

Defiantly operational in 2026 (CSGOBig, CSGO500, CSGOFast, etc.)

6 YEARS

Longest post-notice run before closure (CSGOatse active through 2022)

\$5.01B

2016 skin wagering volume (Narus / Eilers & Krejcik)

200+

Active skin gambling sites operating at market peak

Platform / Domain	July 2016 Notice	Enforcement Outcome & Survival Status	Recorded Verification / Primary Links
CSGOBig csgobig.com	10-Day Notice (Jul 2016)	STILL LIVE IN 2026 Temporarily paused, relaunched; authenticates via letmeinbig.com & csgobiglogin.com	X: @csgobig · FB: csgobigofficial
CSGO500 csgo500.com / 500.casino	10-Day Notice (Jul 2016)	STILL LIVE IN 2026 Rebranded into 500 Casino (Curaçao license #8048/JAZ2014-037), multi-million monthly turnover	Live Platform (500.casino)
CSGOFast csgofast.com	10-Day Notice (Jul 2016)	STILL LIVE IN 2026 Actively operating roulette, crash, and jackpot via steam- login.authtofast.com	Dossier Auth Audit
CSGOLounge / Dota2Lounge csgolounge.com / dota2lounge.com	10-Day Notice (Jul 2016)	STILL LIVE IN 2026 Pivoted to esports coin wagering and crypto betting; maintained continuous operation	Live Platform
CSGOCasino csgocasino.net / csgocasino.gg	10-Day Notice (Jul 2016)	LIVE VIA SUCCESSOR (2026) Domain redirected; active successor portal operates under csgocasino.gg	Successor Domain
CSGOatse csgoatse.com	10-Day Notice (Jul 2016)	SURVIVED 6 YEARS (ACTIVE TO 2022) Continued full gambling operations for six years following Valve's 10-day ultimatum	X: @CSGOatsecom (Active to 2022)
CSGOSweep csgosweep.com	10-Day Notice (Jul 2016)	SURVIVED TO DEC 2017 Operated publicly for 17 months after deadline	X: CSGOSweep Status Dec 2017
CSGOWild csgowild.com	10-Day Notice (Jul 2016)	SURVIVED TO DEC 2017 Promoted by major influencers; ran for 1.5 years post-C&D before crypto migration	X: @Wild (Active Dec 2017)
CSGOPot csgopot.com	10-Day Notice (Jul 2016)	SURVIVED TO SEPT 2017 Operated high-stakes jackpot betting 14 months past notice	X: @csgopot (Active Sep 2017)
CSGODiamonds csgodiamonds.com	10-Day Notice (Jul 2016)	SURVIVED TO MID 2017 Ran through 2017 despite admitted outcome tampering for sponsored streamers	X: @csgodiamondscom (2017)
CSGOLotto csgolotto.com	10-Day Notice (Jul 2016)	CLOSED JULY 2016 Shut down under public scandal; target of federal FTC consent order	FTC Consent Order (Docket C-4632)
CSGODouble csgodouble.com	10-Day Notice (Jul 2016)	CLOSED JULY 2016 Shut down voluntarily immediately after C&D publication	X: @CSGODouble (Closed Jul 2016)
CSGOMassive csgomassive.com	10-Day Notice (Jul 2016)	CLOSED 2016 Ceased public operations in late 2016	X: @csgo_massive
CSGOStrong csgostrong.com	10-Day Notice (Jul 2016)	CLOSED 2016 Ceased public operations in 2016	FB: csgostrongfree
Skins2 skins2.com	10-Day Notice (Jul 2016)	CLOSED 2016 Ceased public operations in 2016	FB: CSNCOM

The Surviving Titans · 2024–2026 Financial & Traffic Blueprint

From 10-Day Warnings to Offshore Conglomerates: The Multi-Billion-Dollar Turnover

Rather than eliminating skin gambling, Valve's 2016 notices catalyzed an industrial evolution. The surviving operators restructured as offshore corporate entities (Curaçao, Belize, Cyprus), pioneered Peer-to-Peer (P2P) trading to bypass bot bans, and now process over **10 million monthly web visits** and **billions of dollars in annual wagering handle** while continuing to authenticate through Steam:

Platform	Monthly Traffic (Visits)	Estimated Turnover / Volume	Corporate Entity & Jurisdiction	Key Regulatory Actions & Model
CSGOEmpire csgoempire.com	2.3M — 9.0M / mo Avg 6+ min duration; 80% direct	\$1.5B — \$2.5B Annual Handle >1,000,000 P2P skin trades/mo; \$6.4M active liquid order floor	Moonrail Limited B.V. (Curaçao #148182) Payments: JHOLT LTD (Cyprus); Founder: "Monarch" (Ossi Ketola)	Pioneered 0% fee P2P item trading; licensed Curaçao OGL/2024/1183/0869
CSGORoll csgoroll.com	2.74M — 3.5M / mo Avg 9m 23s duration; 16% bounce rate	\$1.0B — \$2.0B Annual Handle Est. \$100M–\$200M annual corporate revenue from house edge	Feral Holdings Limited Headquartered in Belize City, Belize (Reg #171519)	Banned by Australian ACMA (May 2023); sponsored tier-1 team G2 Esports with underage players
500 Casino (CSGO500) 500.casino / csgo500.com	220K — 425K / mo ~105k unique monthly visitors	\$100k / week (\$5.2M/yr) in Royales High-roller wagering requirement: \$400 wager per \$1 rakeback	Perfect Storm B.V. (Curaçao #150536) Curaçao Gaming Control Board license OGL/2024/1354/0882	Banned by Swedish Spelinspektionen (Nov 2023) for unlicensed targeting of Swedish players
CSGOBig csgobig.com	~169,600 / mo Avg duration 19m 12s; US primary	Multi-Million Annual Volume Mystery boxes, roulette, and case battles	Operates via auxiliary proxy routing letmeinbig.com (reg 2023) & csgobiglogin.com	Target of July 2016 C&D; relaunched with proxy auth architecture
CSGOFast csgofast.com	~150K — 250K / mo Global multi-language audience	Multi-Million Annual Volume High-velocity roulette and crash games	Offshore operational entities Routes Steam auth via steam-login.authtofast.com	Target of July 2016 C&D; never discontinued operations; active in 2026
CSGOPolygon csgopolygon.com / plg.bet	~300K — 500K / mo CIS and Eastern European dominance	Multi-Million Annual Volume Crypto & skin roulette, match betting	Second-wave target (Oct 2016) Pivoted to cryptocurrency with mirror domain plg.bet	Survived a full decade; continues skin liquidation via third-party APIs

The Second Wave: Why Valve's C&D Targeted 43+ Sites in Total

On 17 October 2016, Valve's legal counsel formally disclosed to the Washington State Gambling Commission that following the initial 23 notices on July 19, Valve had sent cease-and-desist letters to **more than 20 additional skin gambling sites** (bringing the official total above 43). This second wave was necessitated because the initial list inexplicably omitted the largest, most notorious gambling hubs in the world:

- **CSGOJackpot.com:** The historic originator of skin jackpots, which handled hundreds of millions in volume before shuttering under threat of federal indictment.
- **CSGOShuffle.com:** The site at the heart of the July 2016 streaming scandal, where Twitch streamer PhantomLord secretly owned 33% of the company and was exposed rigging odds with house funds.
- **The Macro Ecosystem (200+ Operators):** According to industry research by Narus Advisors and Eilers & Krejcik Gaming, over 200 distinct skin gambling sites operated in 2016, generating \$5.01

Billion in wagering volume from 3.03 million active players. Valve's 43 letters addressed less than 20% of the active market.

Official Government & Regulatory Investigations on Steam Skin Gambling

The skin gambling phenomenon is documented across multiple formal statutory inquiries, enforcement actions, and government position papers:

1. Washington State Gambling Commission (WSGC) (2016–2018)

Issued formal Cease & Desist demand on 5 Oct 2016; published Legislative Briefing on 30 Jan 2018 documenting that skins are cash equivalents and reporting the \$5.0B skin wagering volume.

[WSGC Legislative Report PDF \(Local Copy\) ↗](#)

2. U.S. Federal Trade Commission (FTC) (Sept 2017, Docket C-4632)

First federal regulatory enforcement action involving skin gambling against CSGOLotto owners Trevor Martin and Thomas Cassell for deceptive practices and undisclosed platform control.

[FTC Decision & Consent Order ↗](#)

3. UK Gambling Commission (UKGC) Position Paper & Youth Audits

The Commission treats in-game items convertible to cash as money's worth. Its 2018 survey found that 3% of 11–16-year-olds said they had ever bet with in-game items (skins).

[UKGC 2018 youth survey ↗](#)

[UKGC position on virtual currencies ↗](#)

4. Australian Senate Environment & Communications Inquiry (2018)

Federal Parliamentary report on "*Gaming micro-transactions for chance-based items*", evaluating Valve's loot box mechanics, secondary market cashouts, and regulatory circumvention.

[Parliament of Australia Inquiry ↗](#)

The outstanding demand

Publish the enforcement record: which gambling accounts and bots were disabled, which return hosts were restricted, and which commercial services received permission. A public prohibition and a homepage warning do not establish that the underlying operation was stopped.

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