

# Our story, market, vision and product.

WHITEPAPER V1.0

# **Table of Contents**

#### 04 Abstract 06 **Hypothesis** 09 The Adult Industry **Progressive Decentralization** 11 12 **Problems & Solutions** Censorship & Shadowbanning 12 13 Anonymity & Privacy 14 Discoverability Compliance 14 17 Vision & Roadmap 17 Sharesome: Facebook for Porn Flame Token: Global Social Currency 19 20 Roadmap 22 **Sharesome** 22 The Feed 22 The Ranking 24 **Time Factor** 24 Topics Verified Users 25 26 **Coming soon: Community Profiles** 27 Coming soon: Crowd Tagging 28 Flame Token The Token Integration Model 29 **Goods & Services** 30 31 **Token Specifications** 31 **Token Distribution**



# **Table of Contents**

### 32 Social Landscape

- 32 Facebook
- 32 Instagram
- 32 Tik Tok
- 32 Twitter
- 33 Tumblr
- 33 Reddit
- 33 Snapchat
- 33 The Sharesome Social Plugins
- 34 Sharesome Login
- 34 Innovation



# Abstract

### Sharesome is the first free social network for content discovery, built with creators in mind, powered by a native crypto currency called Flame Token (XFL).

Today, a large number of people make a living off their creations, whether as artists, musicians, actors, authors, models, or entrepreneurs. The top-earning writer on the paid newsletter platform Substack earns more than \$500,000 a year from reader subscriptions <sup>1</sup>. The top content creator on Podia, a platform for video courses and digital memberships, makes more than \$100,000 a month. Jem Wolfie is the top earner on OnlyFans <sup>2</sup>, where subscribers pay models a fee to view a feed of NSFW imagery too racy for Instagram. According to OnlyFans, she has 14,000 subscribers who pay \$10 a month for access to her feed.

These stories are indicative of a larger trend: The monetization of social media following. Jem Wolfie has 2.7M Instagram followers. Obviously only 0.5% of them are super fans, but they are willing to pay for her premium and private content. This new generation of content creators generates ongoing revenue based on their existing "free" audience. Today, in the passion economy, everyone can become a brand and make a living by engaging a base of 1.000+ super fans who will "buy anything" they produce.

While new platforms like Patreon (mostly Safe For Work "SFW") or OnlyFans (mostly Not Safe For Work "NSFW" – "Porn") enable creators to earn money, existing social media platforms don't make it easy to build the necessary fan base. Facebook, Instagram and Twitter are centered around the idea of connecting people and not around the idea of discovering content or creators. Existing platforms also don't allow NSFW content creators to advertise their premium services, cutting the \$100 billion adult content market out, and leaving hundreds of thousand NSFW content creators de-platformed.

We are the creators of the Flame Token, a crypto asset built for the adult content creator economy as a native currency on Sharesome.

Sharesome moves the attention of its users away from connecting with (supposed) online friends to topics. On Sharesome, users follow topics that are centered around the content they like the most. That way creators and their content can be discovered.

<sup>&</sup>lt;sup>1</sup> https://andrewchen.com/passion-economy/

 $<sup>^2 \, \</sup>underline{https://thewest.com.au/news/wa/wa-model-jem-wolfie-breaks-social-media-makes-millions-on-onlyfans-ng-b881158181z$ 

Creators can build a followership by posting relevant content to topics that have already hundreds of thousand followers. Therefore, they no longer depend on shoutouts and re-shares from "bigger" accounts to gain visibility, they simply insert themselves into already existing communities.

Fans on the other side can tailor the Sharesome experience to their own needs by following the stuff they like the most. The so-called "filter bubbles" don't exist on Sharesome due to a shift from "following users" to the broader idea of discovering new stuff in topics a user is interested in.

NSFW content creators rely on social media to interact with existing customers and to meet new customers. This has huge disadvantages, as mainstream social media platforms often have poorly defined and changing rules that NSFW content creators can inadvertently break. Having a social media account closed for any reason, legitimate or otherwise, can severely affect a performer's ability to earn income.

Sharesome presents itself as an alternative to existing social media platforms, as we allow NSFW content creators to advertise their premium pay sites. For NSFW content creators, Sharesome offers the best "product/market fit".

As every other social media site ignores the \$100 billion adult market and cuts its hundreds of thousand creators off, Sharesome sees this as an opportunity for growth.

We also believe that the adult industry has always been a driver of innovation and mass market adoption of new technology and services. We believe that it will be the driver to grow Sharesome into the mass market (as it did for VHS, video streaming, credit card processing, or for platforms like Tumblr, Patreon or Reddit...).

Sharesome will become the central system or gateway for the passion economy, connecting creators with their fans. We want content producers to use Sharesome as their preferred choice for building and sustaining a follower base. We want them to own their base and be able to develop a business on top of that. We built Sharesome with their needs in mind.

We will become the market leader for influencer marketing in the adult industry, covering a USD 100 billion market. We don't compete with existing players on the market, we complement them.

We will be the first choice for a wide range of creators, including lifestyle influencers, celebrities, digital artists, cosplayer, cam girls, or porn stars.

This paper is intended as an introduction to the Sharesome platform and the Flame Token and presents an overview of the opportunities for blockchain-enabled social media in the adult industry and beyond. We'll describe the content creator market, the current issues of the passion economy, the underlying system we are building, the commercial services, the blockchain smart contracts, as well as the tokens, their distribution, and usage.

We are not decentralization maximalists, but we believe that some parts of the ecosystem that we build need to be decentralized. We will also talk about our viewpoints and strategy regarding decentralization in this paper.

# Hypothesis

Every business venture or business plan is based on some assumptions. As we are planning for a future that nobody knows, we have to work with assumptions and you should know what they are.

#### Here are our core assumptions:

For cryptocurrencies to reach mass adoption, they first need to be adopted in a certain vertical as a standard for the exchange of goods & services. In this vertical, the pain to pay with existing payment methods must be high, so that people would want to switch to cryptocurrencies as the better solution. The only two verticals we see with a lot of problems when it comes to payments are gambling and porn. Both industries are considered 'high risk' which makes payments expensive and inaccessible.

We believe that the adult industry will be the one vertical to drive mass adoption for cryptocurrencies as the standard payment method. The industry currently has extremely high platform fees (up to 75%) and high payment processing fees (up to 25%). Independent models and adult companies have difficulties opening merchant and bank accounts <sup>3</sup>. Recently, Visa and Mastercard cut off Pornhub <sup>4</sup> from their payment networks. At the same time the industry generates \$100B a year <sup>5</sup>. This is a perfect environment for disruption.

# Assumption 1: The adult industry is the perfect vertical to launch a global medium-of-exchange token and reach mass adoption.

The adult industry is changing and ready for new products. Recent years have seen a revolution in work across the whole adult industry. Before the rise of subscription based platforms like OnlyFans at al., model work was mostly gig based.

<sup>&</sup>lt;sup>3</sup> https://www.fastcompany.com/3065256/banking-discrimination-porn-sex-toys

<sup>&</sup>lt;sup>4</sup> https://www.vice.com/en/article/7k94be/mastercard-will-stop-processing-payments-to-pornhub <sup>5</sup> https://www.nbcnews.com/business/business-news/things-are-looking-americas-porn-industry-n289431

Performers would have to sell their time to studios on a per-scene or per-day basis — also selling the copyrights on their work to the producers. The real profits were then made by the studios who would sell these scenes to their subscriber base on their own paysites.

This only slowly changed with digital platforms like Clips4Sale (founded 2003) and ManyVids (founded 2014) that would allow adult content creators to distribute their own content while retaining full copyright on their work. But it was OnlyFans (founded 2016) that completely changed the game by letting creators earn money in a way that tailors to their personality and individuality. It transformed freelancers (gig workers) into entrepreneurs (creators) by removing the 'time for money' dynamic and replacing it with the ability to connect with a fan base and earn a passive income directly through it.

The power in the adult industry now lays with the content creators, and no longer with the studios. Every new product (or solution) needs to focus on content creators.

# Assumption 2: The content creator economy has replaced the gig economy, which changes the means of production, discovery, and monetization.

To run an adult based content business today, creators have to manage customer acquisition on their own. So they turn to existing platforms to build an audience: Instagram, Twitter, Reddit, YouTube, Twitch, even Tik Tok, and try to convert followers into paying super fans. But by design, these platforms don't allow NSFW content — which limits the creator's ability to promote NSFW content. Many of them build huge followerships on these platforms, just to get banned after a while and start over.

But the problem goes even deeper: adult content creators spend zero dollars on paid advertising – because they can't. Their customer acquisition funnel is a minefield of regulations and relies 100% on organic social media growth. They have to blend in with millions of mainstream influencers and creators and have to be extra-creative to get their message out. Nevertheless they created a multi-billion-dollar market.

Despite these obstacles, the porn revolution is underway: gig workers became independent content creators. Their production capabilities are enabled by services like Adobe Creative Cloud, and no longer controlled by studios only. Monetization is enabled by services like OnlyFans, Clips4Sale, ManyVids, and many more, and no longer controlled only by studios. But discovery is still flawed: it is controlled by US corporations like Instagram (by Facebook), who despise NSFW content and doesn't allow ads for adult content.

So, the biggest problem to solve right now is not how to sell adult content, it is how to promote it.

# Assumption 3: There is a need for a new social discovery platform that is open for adult content creators and offers free and paid promotions.

For decades, the adult industry has been the catalyst that has launched and pushed technology forward and that later on became the standard for non-porn compliant products. In other words: porn has always driven innovation!

Bandwidth growth and the invention of streaming might be some of porn's greatest contributions to the internet, so it's no wonder that today, porn sites attract more monthly visitors than Amazon, Netflix, and Twitter combined. Every second, around 30,000 people access a porn site <sup>6</sup>. Furthermore, a 2004 Nielsen/NetRatings study found porn to be one of the biggest factors behind broadband penetration in Europe, along with online music sharing. Long before YouTube or Facebook live streams, porn companies were trying to perfect this technology in order to deliver live webcam shows directly to consumers. If today Netflix can stream HD movies in every household, it's thanks to programming pioneers who figured out how to deliver adult video to consumers in the era of dial-up modems.

So, if we believe that the military was the inventor and creator of the internet, then porn was the entrepreneur who brought the internet to the masses.

The concept of e-commerce, which is now becoming the most important part of the world economy, owes much of its early existence to porn. Netflix and all the other subscription-based streaming sites can thank Richard Gordon for this. Gordon founded a company called Electronic Card Systems in the mid-1990s, which pioneered credit card transactions for a wide range of pornographic sites – among others, a site called ClubLove, which published the Pamela Anderson-Tommy Lee sex tape. Gordon made a fortune by taking a commission for processing sales on those websites.

Innovation was always driven by smut. Be it bandwidth, streaming or e-commerce, porn has quietly led the way to the status quo that we all know and enjoy.

And the reason for this is quite simple. The people in the industry weren't geniuses or tech visionaries, but they were forced to experiment and take risks just to survive, because the adult industry was always marginalized; so the technological advance was much more a product of their marginalization than any sort of vision.

But we still believe that the adult industry has the DNA for innovation and can be the first to help crypto transition to the mass market.

Assumption 4: The adult industry is innovative by design and the perfect playground for a new technology like cryptocurrencies.

<sup>&</sup>lt;sup>6</sup><u>https://www.webroot.com/us/en/resources/tips-articles/internet-pornography-by-the-numbers</u>

# **The Adult Industry**

Sex is one of the most basic human needs, next to food, water and shelter.

It's no wonder that porn has a huge impact on the internet and technology in general. 25% of all search engine requests are pornography-related. Google now processes an average of over 40,000 search queries every second, which translates to over 3.5 billion searches per day. We see 3.58B monthly visits on XVideos, 2.54B monthly visits on Pornhub, and 1.27B monthly visits on xHamster. And these are just the Top 3 porn sites.

Our aim is to empower hundreds of millions who are currently consuming or producing erotic content by creating the world's first social media experience that does not discriminate against adult content creators or NSFW content. A \$100 billion industry is waiting to be disrupted!

The adult world is undergoing a visible metamorphosis process, from an industry dominated by intermediaries (studios, tube sites etc.) into a more peer-to-peer, independent-producer focused environment where performers and producers interact more closely with their fans through mainstream social platforms such as Twitter or Snapchat, even though these are not adult-friendly.

These independent adult content creators sell their content on platforms like OnlyFans. The company, founded in 2016, has 85 million users, upward of 1 million content creators, and has generated more than \$2 billion in sales in 2020. This makes OnlyFans one of the biggest media businesses hiding in plain sight <sup>7</sup> – most of its revenue coming from adult content.

With this numbers, generated mainly by sex workers, OnlyFans swiftly surpassed Patreon, a much older platform for mainstream creators — showing the economic power of the adult industry.

Stormy Daniels, the porn star who rose to fame for allegedly having an affair with the US president, reached 4,400 paying subscribers, each paying \$14.99 a month on OnlyFans – a good way to monetize her 778,000 Twitter followers. Jem Wolfie, the top-earning content creator on OnlyFans earns more than \$2M per year from subscriptions <sup>8</sup>.

Looking at the OnlyFans business model, one of the most surprising details is that it does almost nothing for customer acquisition: Jem Wolfie was only successful on OnlyFans because she brought a few percent of her 2.5M Instagram followers to Onlyfans – more precisely, 0.4% of them. But these paying super fans made her a multi-millionaire.

<sup>7</sup>https://www.bloombergquint.com/onweb/celebrities-like-cardi-b-could-turn-onlyfans-into-a-billion-dollar-media-company <sup>8</sup>https://thewest.com.au/news/wa/wa-model-jem-wolfie-breaks-social-media-makes-millions-on-onlyfans-ng-b881158181z ManyVids, a new company co-founded in 2014 by former porn performer Bella French, is also focusing on adult content creators. Independent models and studios can sell video clips, live shows, custom made videos, messaging and more to their fan base. ManyVids encourages content creators to connect their ManyVids profile with Twitter to drive traffic and build their own audience—a pretty new approach in the industry.

There are other new services like FanCentro, LoyalFans, or JustForFans that allow models to sell monthly subscriptions directly to their fans.

Older players in the industry are working on their business models as well. Pornhub launched Modelhub, a website where independent models can sell their content directly to their fan base, on their own terms. Pornhub also runs a model program where they share ad revenue directly with models. Through xHamster Premium, xHamster also offers a platform to sell content directly to fans. XVideos has XVideos Red where they share revenue with content creators directly.

Now, more and more content creators sell their media directly to their customers, but they are not able to build a fan base because mainstream social media sites don't like them. Just post a NSFW pic on Facebook and you will be locked out of your account for a number of days. Instagram is well known for its approach to pictures of nipples, and Twitter, while pretty sex-positive in its rules and policies, started to shadow-ban users with NSFW content. Tumblr was a porn heaven until they decided to ban porn content on December 17, 2018. Regarding peer-to-peer e-commerce, the adult industry remains in a deadlock.

Today, small entrepreneurs can not only sell their products on a global scale, but also run advertising campaigns with just a few dollars (unless they work in the adult industry). Social media and e-commerce are interlocked. Facebook alone generated an ad revenue of \$86B in 2020. But content creators in the porn industry are cut off by the existing social media platforms. Sharesome bridges the gap.

There are currently over 5M models advertising their services on both free and paid live cam sites world-wide, generating an estimated \$10B in revenue. There are 1M content creators on OnlyFans alone.

The target market for Sharesome is big. We know that NSFW content helped to build the internet, and it helped to build many mainstream brands: Tumblr, Reddit, Imgur, Patreon, Gfycat, and many more. So it is also a strategic decision to focus on the adult industry first, and later extend the reach into the mainstream market. We also think that sex work is work and should be treated as any other job. We have zero concerns about the morality of our actions. And we share that view with the majority of people. The question of morality of porn has been long settled <sup>9</sup>.

More people find overconsumption (38%), overeating (48%) or not recycling (55%) as more immoral than viewing porn (32%). Also, while 37% of the boomer generation says porn use is very bad, only 14% of young adults say so too. We believe that social media should allow the expression of any kind of (legal) sexuality – and that is the kind of network we set out to build.

The majority of the adult web traffic originates from the US, UK, Canada, India, Japan, but there are endless opportunities in emerging markets, with a growing middle class and a society opening up to sexuality.

All of these signs align with our vision of democratic access to adult content, and the ability to make a living from any kind of (legal) work.

# **Progressive Decentralization**

Decentralization is a very unique challenge for every crypto-startup: If decentralization is implemented too early, it is easy to miss out on what it takes to build a successful product at the outset – product leadership, rapid iteration, a managed go-to-market. If it is implemented too late, or not at all, the product misses out on the clear benefits of decentralized applications – permissionless access, transparency, and immutability (censorship resistance).

So we decided to follow the Playbook for Building Crypto Applications <sup>10</sup> and launch Sharesome and Flame in the following order:

First, we wanted to focus on building the main product: Sharesome, a social discovery site that would be at the center of what we do – powered by Flame Tokens. The reason was that we saw so many crypto projects fail (after a successful ICO), because they built a product that nobody wants. Or they overestimated the challenges of building what they intended to build. However, we wanted to do that very differently, by first building a product and then launching the token on-chain.

Therefore we started in 2017 by building the team and the first prototypes. In 2018 we kicked off the development of the platform and the plan to reach product/market fit as soon as possible. Without a product that people want, there are no users for the token, no business, and it would be difficult to sustain a token that nobody uses.

<sup>&</sup>lt;sup>9</sup><u>https://www.barna.com/research/porn-in-the-digital-age-new-research-reveals-10-trends/</u>

<sup>&</sup>lt;sup>10</sup> https://a16z.com/2020/01/09/progressive-decentralization-crypto-product-management/

With 1.2M monthly users on Sharesome at the beginning of 2021, and a solid growth rate of >100% every year, we feel confident that we started something that the world needs. We grew from zero to 1M in 2 years with no advertising – all growth was organic.

In April 2020 we launched a first very basic version of our ad platform and we continued to improve on it every month. The sales of Flame Credits are also growing steadily every month. Currently, on Sharesome there are an average of 1,000 XFL transactions every day.

The next step is for us to grow the platform and the advertising business. This will happen by further growing the MAU (monthly active users) on Sharesome, and by technically improving the ad platform and the related KPIs (Key Performance Indexes), such as the size of the ad inventory, the average CPM (Cost per Thousand), the number of ad campaigns, etc.

After having achieved product-market fit, we can start with the first step of the decentralization: listing Flame Token on a decentralized exchange (Uniswap).

The third step will be sometime in the future when blockchain transactions scale so that we can successfully move everything on-chain.

Moving our transactions on-chain will also help solve other challenges that the creator economy faces, all thanks to the use of smart contracts .

# **Problems & Solutions**

# **Censorship & Shadowbanning**

Porn is still frowned upon or restricted. Erotic content is highly controlled on mainstream social networks (Facebook, Instagram, Snapchat, even Twitter). Mainstream social networks effectively shadowban adult content and delete accounts of content creators that have invested time and often money in their following base, throwing their investment to waste. This makes it very hard for adult content creators or industry brands to organically grow an audience on social media and monetize it.

We believe that content should be produced and consumed anytime, anywhere, by any adult. At the same time, just like their mainstream colleagues, content creators need a place where they can promote themselves and build a fan base. This is why we started Sharesome, a social discovery network for adult content. But the problem goes even deeper: consider a business owner running a successful media company with a \$150,000 monthly turnover, who can't spend a single dollar in advertising to grow it even further. This would be unthinkable for any mainstream business. The U.S. Small Business Administration recommends spending 7 to 8 percent of gross revenue for marketing and advertising. Huge media companies, like the ones in Hollywood, spend almost 30% of their overall budget on paid marketing.

Adult content creators can not spend money on social media advertising. Adult content isn't "brand safe", so no matter how successful their business is, on social media they can only grow organically. They need to find very creative ways to get their OnlyFans or ModelHub links out.

Sharesome is the first free social media platform to allow adult content creators to openly advertise their work with 'promoted posts'. Between June-December 2020, Sharesome has delivered around 20,000 promoted posts, generating around 75M adviews for their advertisers. Sharesome's promoted posts are accessible by purchasing Flame Credits.

# Anonymity & Privacy

The adult industry has always benefited from better products around anonymity and privacy. It is no secret why most people would share the content of their fridge with their friends, but not their browser history.

VHS-tapes, invented in the 1970s, have been one of these better products. The technology enabled consumers to watch adult movies in the protected environment of their own home instead of walking into a public movie theater. The adult industry always profits from "more privacy".

Today all porn has moved online. But because all payments performed with a credit card appear on bank statements and require some form of authentication such as an email address, users cannot remain private. On the other hand, transactions on Sharesome are confidential and secure. Our users are pseudonymous on a network level (social network user info) and on a token transaction level.

Adult content consumers might pave the way for a mass adoption of cryptocurrencies – and there are hundreds of millions of them.

The need to consume and pay for adult products in a private manner will remain a driver for the adoption of online services like Sharesome that offer pseudonymous user accounts and token transactions for goods & services.

Note: Content creators are always pre-validated (verified) by the platform. We do this to be sure that content creators are of legal age in their specific jurisdiction and also that they have the right to upload the content in question as is required to comply with 18 U.S Code 2257<sup>11</sup>. Regular users (consumers) can remain pseudonymous, unless they explicitly choose otherwise.

# Discoverability

We posit that the difference between Sharesome as a social discovery platform and existing adult websites like Pornhub is analogous to the difference between Google and Yahoo in 2007<sup>12</sup>. While Pornhub still puts sexuality in categories and lists, Sharesome creates connections. And this is how it should be.

Sexuality is a broad term. It has to do with sexual attraction, behavior, and orientation. It encompasses terms like allosexual, androsexual, asexual, aromantic, autosexual, etc. And these are just a few that start with. Sexuality is complicated, it is not just about whom one has sex with, or how often one does. Sexuality is about sexual feelings, thoughts, attractions and behaviors towards other people.

To build a discovery platform that contains sexually oriented content, it is not enough to put content and people in categories starting from A to Z. It is necessary to build connections.

We believe that Sharesome is a modern environment for content discovery and sexual expression. Discovering one's sexuality can be a very liberating, exciting and positive experience.

# Compliance

A platform with user generated content faces several compliance challenges. On top of these, there are also compliance challenges when offering financial services based on blockchain technology.

#### Copyright

All user generated platforms face the same issues when it comes to copyright.

From the point of view of a content creator, user generated content can be categorized as "stolen content", whereas from the point of view of a fan it can be "fair use". At the end whether or not (as an example) a six second clip from a porn scene in a user-generated compilation constitutes fair use is something for a court to decide. On the other side, content creators need a social media platform with traction, they need an audience. User generated content creates traction and thereby the audience. It's not merely a conflict, it's interconnected.

<sup>11</sup> https://www.law.cornell.edu/uscode/text/18/2257

<sup>&</sup>lt;sup>12</sup> https://www.wired.com/2015/11/once-upon-a-time-yahoo-was-the-most-important-internet-company/

Presently, Sharesome functions like many other similar platforms. It has a DMCA officer and content creators who find their content on Sharesome can request a take down and Sharesome will comply. But it is worth mentioning that this is a flawed system. First of all, most of the work in identifying and taking down infringing content often falls to content creators, making this a net loss for everyone involved. There is no real benefit, other than the content being deleted.

We think that technology is the solution to the problem. Sharesome is working on a Content-ID technology that will work like YouTube's Content ID, combined with community efforts, biometric software and machine learning. Content creators get to decide what happens when content in a post on Sharesome matches a work they own. They can delete or claim/monetize the content by adding their own pay-site to it. That way the content "works" for them in three ways: it generates traffic for their pay-sites, it creates followers for their profile, and it creates the necessary traffic network effect for Sharesome in general, which helps every content creator on the platform.

Our view is that internet content is neither "stolen content" nor "fair use content", because it should be just one thing: content. Content that promotes the work of the original creator. We just need to "tag" the creators to give them credit and the game will change forever.

As the industry is changing, we also need a change in perspective. To say that all uploaders are pirates and freeloaders neglects the fact that the internet (and especially social media) is built on the freedom of sharing. It's true that platforms that refuse to credit content creators, like many tube-sites did in the past, are part of an evil empire that makes money with other people's content. Knowing that we live in times where Content-ID technology can be part of solving the problem, Sharesome has the back of content creators and is working on technical means to identify content. Sharesome is already testing a new system that takes advantage of the existing post tagging infrastructure to give credit to content creators every time their work is shared.

With this approach we want to solve the problem of how to deal with copyright issues in an environment where content is user generated. We believe the strategy has to go beyond simply dealing with copyright takedown notices. We believe that a platform like Sharesome has to play an active role in identifying content and letting copyright owners decide what happens when content matches a work they own.

But this is just a first step in addressing all questions about content. The fact of "who is in the content" doesn't automatically answer the question of "who owns the content" and most importantly "where to buy the full content". As Sharesome gradually implements Content-ID technology, we will be able to answer these questions as well.

Another area in which Sharesome differs from traditional social media websites is its approach to user engagement, whereby Sharesome doesn't attempt to keep users in the app at all costs. Sharesome encourages users to leave the website by clicking on paysite links and actually buying content. For this purpose, Sharesome is working towards creating one of the most well optimized customer acquisition funnels in any industry.

#### Age

The explosive growth of child sexual abuse material (CSAM) is a pervasive problem that affects the entire tech industry. Last year, tech companies reported over 45 million online photos and videos <sup>13</sup> of children being sexually abused — more than double what they found the previous year.

Sharesome has deployed resources and put policies in place for the reporting and removal of CSAM, while also following standard community management practices to help combat the distribution of such material. Sharesome has a zero-tolerance policy toward CSAM on the platform, as well as towards those who produce, disseminate, as well as seek out and consume CSAM.

#### Consent

Uploading non-consensual content on Sharesome is strictly prohibited.

It can be devastating when someone's intimate images are shared without their consent. To protect victims, Sharesome removes non-consensual intimate images (also referred to as revenge porn) when they're reported.

#### KYC/AML/CTF

Flame Technologies AG is located in Switzerland. We follow all rules and regulations in this jurisdiction. We will comply with any and all KYC, AML and CTF regulations using a network of specialized partners.

<sup>&</sup>lt;sup>13</sup> https://www.nytimes.com/interactive/2019/09/28/us/child-sex-abuse.html?searchResultPosition=23

# Vision & Roadmap

# **Sharesome: Facebook for Porn**

We see an increasing need for studios and content creators to engage in online communities. Adult brands and creators use these communities to market their products and services to a larger audience. But, as previously mentioned, almost all social networks block or restrict nudity and sexually-explicit content.

Creators are looking for alternatives where they can securely and sustainably promote their content. Consumers are looking for alternatives where they can consume, connect with content creators and share erotic content based on their specific preferences. Sharesome offers these options.

On Sharesome we have several different user groups::

**Verified stars** are at the center of the Sharesome universe. Our team makes sure that we don't have fake accounts and that the posted content is original content. Under every post made by a verified star there's a link to that star's paysite. All posted content is marked OC (original content).

**Verified brands** are similar to stars, but they do through a different verification process to ensure that only true website owners can claim their brands on Sharesome.

**Verified users** will soon become "originals": NSFW amateurs and artists (illustrators, storytellers etc). We want to make sure that people who don't have financial interests (e.g. don't want to sell their content) can also post OC (original content).

**Regular users** are pseudonymous fans. Their posts are usually fair-use content that is marked for being tagged and claimed. They can't add links to topic posts.

By "sorting" our users in different groups, we can make sure to give them the right exposure on the platform. Verified content creators are already marked as stars on Sharesome and can be discovered in a different section on the site and all verified profiles have a badge that sets them apart from regular accounts. Like on mainstream social media, where celebrities stand out from the crowd with their blue verified badge, on Sharesome sex workers stand out with their verified star badge.

We imagine a future where NSFW content creators are the main influencers in global social networks.

Knowing what kinds of users post different types of content, Sharesome started to roll out a system that internally divides content into OC (original content) and fairuse content. Original content is already able to receive tips and in the future it will have more weight in the feed and users will get discounts when promoting OC. Fairuse content is up for content identification, meaning Sharesome is manually and/or technically crediting the original content creator for it. This might take years to play out, but it is part of Sharesome's DNA from day one.

#### We imagine a future where NSFW content creators get credit for what they do.

Secondly, although sites like Pornhub have tens of millions of visitors every day, only a few share the content to social media sites like Twitter and Reddit <sup>14</sup>. These networks are not meant for porn so people have a psychological and social barrier to share porn there. As a result, adult content on tube sites like Pornhub has no chance to go viral like YouTube videos do. Sharesome is built specifically for sharing sexually explicit content – that means NSFW content can go viral as well (especially in Sharesome's "Best of the day" section – filled with trending videos and pictures).

Thirdly, Sharesome offers a real opportunity for users to build their "adult identity" on a neutral purpose-specific platform. This pseudonymous adult identity can be used the same way the real, non adult identity, is used by third-party providers. We imagine a future where you can login with your Sharesome account into third-party websites and pay there directly with Flame Tokens. This is a seamless purchasing experience for all parties involved: the customer, the pay-site and the NSFW content creator!

#### We imagine a future where NSFW content creators have access to a seamless e-commerce ecosystem, using Flame, a new global utility token that will make payments work better for every player in the adult industry.

Sharesome approaches the copyright challenge from a different angle as we are focused on content creators. We work together with creators to enable content owners to claim the accumulated assets and let content work for them.

More importantly, mainstream social networks like Facebook, Instagram and Twitter are a major traffic source for e-commerce businesses. Until now, there was no similar alternative for the adult industry.

### Sharesome will bring to adult creators the same benefits Facebook and Instagram brought to e-commerce entrepreneurs.

As Facebook doesn't compete with existing mainstream platforms (except other social networks), we don't compete with, but enable, existing adult platforms.

<sup>&</sup>lt;sup>14</sup> https://pando.com/2014/01/09/what-we-learned-from-pornhubs-reddit-ama/

# Flame Token: Global Social Currency

Flame is governed by the Flame Technologies AG in Switzerland. Flame Technologies AG is a sister company of Sharesome, operating independently from Sharesome.

Flame Credit is built as a Medium-of-Exchange utility token on Sharesome with the utility being:

- Sending tips and paying for messages to verified providers of goods and services.
- Buying advertising on Sharesome from Sharesome.
- Buying goods and services from verified third party websites, using the "Sharesome Login & Wallet".

As more goods and services are sold on Sharesome, it creates a demand for Flame Token because customers need to pay for goods and services in Flame Credits. Therefore they will have to convert their local currency (or other cryptocurrencies) into Flames. This will give Flame Token value.

The "Login with Sharesome" feature is already built and can be implemented by any site through an API. The Flame Token ecosystem is still a work in progress, but here is where we stand and what will come in future:

Flame is built as the native currency on Sharesome. It will be stored off-chain in your Sharesome wallet as Flame Credits or on-chain in your ERC-20 wallet as Flame Tokens. Flame Credits and Flame Tokens can be exchanged at a ratio of 1:1.

All transactions on Sharesome are intermediated by Flame Credits, so when you send, spend, or save your money, you will be using Flame Credits.

Sharesome is designed to connect the adult industry all together. Flame is designed to be a utility token that works better than existing solutions for all players in the adult industry.

We imagine a new global utility token on a global social network that connects the adult industry. We think this is how cryptocurrencies should be. You send tokens just as easily as you send a message or a photo, in exchange for goods and services. Easy, seamless, fast, and cheap.

# Roadmap

Crypto projects are usually built like this: a team gets together, develops a prototype, writes a whitepaper, sells tokens in an ICO/IEO, trading starts (all based on pure speculation) and then, if all goes well, the product will be developed.

We did it the other way around: we first built the product (Sharesome), then distributed the Flame Token to early adopters by pushing ~400 million Flame Credits to ~1.5M people (on Sharesome and Flametoken.io), while creating real world uses cases and letting people transact with the tokens.

The next step is allowing Flame Token to be traded, not based on pure speculation, but based on real world usage of the Flame Token. We will start listing the Flame Token on Uniswap as an Initial Liquidity Offering (ILO) soon. Withdrawals of Flame Credits to Flame Token will be disabled during this time..

#### Milestones from 2017-2021:

#### 2017

The founding team met and built the first prototype of a social network for the adult industry. This initial MVP (Minimum Viable Product) was launched as Pornfyre v0.9 in closed alpha. First stars onboarded organically and we started our learning curve.

We developed the first version of our messenger. Pornfyre Messenger allowed models to seamlessly interact with their fans. Pornfyre gained traction and we got positive feedback from the industry.

#### 2018

The team saw the potential to go mainstream with the platform, while also allowing SFW content to be uploaded to the platform. We re-designed the brand, acquired the domain sharesome.com and re-launched as Sharesome. Sharesome is the natural evolution of Pornfyre with a modern design, new features, and a "mainstream" name.

We brought together blockchain and social media by introducing the Flame Credits as the native token/coin/crypto-asset. Fully integrated on Sharesome, Flame Credits are used for tipping.

The XFL Tip button we've developed can now be integrated into any website to let users tip content creators. The XFL Tip button is part of the Sharesome SDK (Software Development Kit) and allows anyone to seamlessly integrate Flame payments into their website. All they need to do is add our code snippets to their pages and they are ready to start receiving payments. We left stealth mode in December and launched the Flame Token Airdrop. With more than 1 million participants, the airdrop is to this day one of the biggest in the history of crypto.

#### 2019

We introduced queuing and scheduled posts. We also divided the app into components, each component having a lead developer. We launched a major update and introduced Sharesome Chat, topic moderation and boosted profiles. For the first time, all users were able to upload content.

The first verified stars with more than 10K Twitter followers started moving in.

We re-launched the site as an SPA (Single Page Application) which is the first step in moving towards a PWA (Progressive Web App).

#### 2020

As our focus in 2019 was on product and retention, in 2020 we shifted our focus to growth and monetization.

We obtained major performance improvements (reduced browser CPU and memory usage, optimized the newsfeed, profile and topic feeds, as well as the search results pages and re-wrote our notifications architecture).

We implemented a "trending" feature and a new feed, called "Best of the day" to show viral content to everybody on the platform.

We introduced Analytics (real-time insights into how posts and profiles are performing).

We launched the Progressive Web App (PWA).

We implemented the first version of Promoted Posts.

#### Roadmap for 2021

Check our current Roadmap here: >> https://flametoken.io/roadmap/ 15 <<

# Sharesome

This is a walkthrough on the innovations behind Sharesome and why we think our network will become the #1 place for browsing adult content and connecting with content creators on the web.

# **The Feed**

The smart feed is the number one reason people use Sharesome. The idea of social media that connects people to sort content in a feed is nothing new, but it is new to the adult industry. Sharesome created the first smart feed for porn.

Profiles, topics, individual posts are completely open to unregistered users. This is the same for most social media sites. Newsfeeds are usually reserved for registered users only. That is because feeds need a certain amount of connections to aggregate meaningful content. Without data points a feed would just be random. That's why feedbased sites usually ask for a user to register. Due to privacy concerns, NSFW websites tend to have more unregistered users than registered users. We wanted it to be very easy to register with Sharesome, but also allow users to enjoy a meaningful feed without a user account.

#### **Email requirements and pseudonymity**

Our authentication system only requires a username and a password. Users can later enter an email if they want to be able to recover their account in case they forget their password. But if they only want to browse content, they can do so with the simple and pseudonymous username and a password.

# The Ranking

Upon registering, all users follow a generic set of topics based on their stated preferences. This allows us to immediately generate a feed with popular content. What happens next is where the magic begins. Our ranking algorithm is based roughly on the following factors:

#### Popularity

This includes the amount of likes, comments, shares, saves, tips, ignores and postrelated actions made on each post. Each of these is only counted once for each user, so for example whether someone comments once or 10 times on a post, the popularity increases by the same amount. Obviously, in order to undo the popularity boost given by a comment, a user has to delete all his comments from that post. For tips, we take into account the number of individual users who tipped, as well as the average amount of flames tipped.

#### **Post ignores**

An ignore is registered each time a post appears in the feed and the user doesn't interact with it in any form. The penalty given by an ignore is small enough so as to not outweight the positive actions made on a post, but large enough to penalize bad posts with a low engagement ratio.

#### **Post-related actions**

We also track other kinds of post engagements, which can either be non-primary types of interactions or interactions that depend on the post type. These include comment likes, link clicks, video plays and lightbox opens (when the user opens the post in fullscreen).

#### View time

We recognize that some users do not interact with any posts and instead they prefer to just browse and consume content from our website and this is fine. For this reason, we track the amount of time that users spend on each post and we break this metric down by post type. For example, it's normal for users to spend more time on a video than on a picture, so we take that into account. We also take into account that each user has a different browsing pattern (which can also change over time). For example some users scroll faster than others, some users play all videos while others never hit the play button, some users watch gifs multiple times, while others barely watch them once.

#### Affinity

Besides keeping track of the amount of interactions of each specific post, we also keep track of the history of engagement between the user and the person who posted the content. Each time you interact with a post or ignore it, the affinity between you and the original poster gets updated. The affinity between users is influenced by the same factors that make up the post's popularity, as well as by following or favoriting the user.

The affinity is where your specific preferences are enforced, and this allows us to customize the feed to your needs. Thanks to our affinity system, 100 users who follow the same topics and people, have 100 different, tailored feeds. If a user has significant negative affinity with another user, they are unlikely to see their posts no matter how popular these are. You can see how, besides allowing for personalized feeds, affinity also acts as a spam limiter.

Conversely, if you add a user as a favorite and have a high engagement rate with their posts, you are likely to see their content even if it hasn't gathered a lot of engagement from the network. Some social networks decrease the reach of users who post too much, but our affinity system cuts both ways when it comes to users who post very often: users who post very often, yet have a high engagement rate, increase their affinities with content consumers and this gives them an edge over users who post less often. On the other hand, users who post bad content very often quickly have their affinities decrease and have a hard time competing with other content creators.

# **Time Factor**

#### Post time boost

When a new post is created, it is given a significant boost that gradually decreases until it disappears after 24 hours. A post which was created 5 seconds ago is very likely to appear in users' news feeds. If 100 people immediately see the post and ignore it, its ranking decreases enough that no additional people will see it. This ensures that no one can spam a large number of people by posting bad content in a popular topic.

The post time boost also allows very fresh posts to compete with less-fresh, popular posts, and gives the former an opportunity to gain popularity.

#### **Time decay**

As time passes, posts age and their ranking decreases exponentially. A post from 2 days ago is likely to have a hard time competing with a post from today. The time decay factor is less aggressive than on networks such as Twitter, because erotic content is less time-sensitive than, say, world news, but the underlying idea is to have a feed with fresh content every time a user logs into our website, be it twice a week or three times a day.

#### The "seen" factor

Our purpose is to give the user an endless stream of extremely relevant content and to do so, we have to keep track of the posts that the user has already seen in the feed. Posts marked as seen no longer appear in the feed for that user, as long as there are new posts that the user hasn't seen yet. If the user sees all the new posts from the topics and users he follows, we show him the "seen" posts, ordered according to the ranking algorithm.

# Topics

Content categorization is key for adult content because users either search for specific performers or for specific types of content (e.g. fetishes). Social networks such as Twitter and Instagram address the categorization problem by using hashtags. Porn sites address this by using categories. Hashtags are useful for introducing keywords that might not otherwise be present in the content, so they increase discoverability and searchability. But they also encourage spamming. Users tend to add dozens of hashtags to posts in order to increase their visibility, even if most of the hashtags very loosely apply to that specific post. Additionally, users typically cannot subscribe to hashtags, and it wouldn't make sense to allow them to do so, because hashtags are unmoderated and anyone can add content to any hashtag and spam all its followers without consequences.

The categories used on porn sites are usually nothing more than search queries applied to the content, with some manual filtering done by the site admins. A category like "threesome" returns content that contains the word "threesome", sorted by popularity. Again, this is suboptimal because it requires manual filtering by the website admins and it's nothing more than a search results page. On Sharesome, topics are moderated communities that can be followed by users, and where followers can post content and are held responsible for their actions inside the community. Spammers can be banned and their posts removed from the topic, and the content is ranked according to our ranking algorithm. Topic posts appear in the news feeds of users who follow them, and there are topics about literally anything kinky. Any user can create up to 10 topics and, when creating a topic, the user becomes its first moderator. When creating a topic, we encourage specificity. No matter how specific or uncommon your preferences are, there's probably a topic for it. And if there isn't – you can, and should, create one.

All topics are promoted to our users in the "Discover" section. As a topic becomes more popular, it needs more moderators. Anyone can become a topic moderator, and existing moderators vote on approving new ones.

By introducing topics, we allow users to subscribe to relevant niches and see an endless amount of relevant, moderated content in their newsfeeds. Topics are also available to users who are not logged in and they are fully crawlable by search engines.

# **Verified Users**

At Sharesome, we want to empower content creators and give them the best tools to grow their audience and their brand, and to do so, we established a set of verifications and privileges for users who want to start sharing their own content on our platform.

#### User types

Besides regular (pseudonymous) users, we have the following user types: Verified users (Artists/Illustrators/Writers/Amateur porn enthusiasts) – These are users who want to post their own content on the Sharesome platform.

**Verified stars (Pornstars/Cam-Models/Performers)** – Established performers with an already existing fan base.

**Verified managers** – Profiles that have special privileges allowing them to post and schedule content for multiple stars via an administration dashboard. Stars can designate a manager from their profile settings and if the manager approves the request, he is granted rights to start posting content for the user.

Verified brands - Official accounts for established adult businesses.

#### The verification system

Currently, in order to become a verified user, star or manager, one must send a verification request. Our system generates a unique code that the user must write on a sheet of paper and submit a picture of themselves holding that paper.

Verified websites must go through our website ownership verification process, which requires uploading a file into the root directory of the website. The file has to remain in that location the entire period in which the website wants to use their verified profile on Sharesome.

#### **Privileges for verified users**

Verified users are marked with a distinguishing badge, they appear in follow suggestions throughout the network, appear higher in search results and their posts receive a boost in newsfeeds. They can also promote a link under each of their posts, to drive traffic to their paysites.

## **Coming Soon: Community Profiles**

Our objective is to ultimately become "the place for porn" and when it comes to content, this has two aspects. First, with topics we are able to cover the most specific fetishes and provide a way for similar-minded people to share and discover content that they enjoy, more than anywhere else on the Internet. Secondly, some people also look for content about specific performers. This is where community profiles come into play.

Community profiles are profiles generated based on community engagement. More specifically, when a user tags a non existing account in a post, it gets generated on the fly, and all future posts where the profile is tagged are associated with it. This allows us to easily categorize content based on the people who appear in it, and most importantly, it allows our users to follow any performer even if they haven't joined our platform yet. Users who follow a community profile could see in their feeds posts where that profile has been tagged and verified as being present in the content.

#### **Claiming community profiles**

When a star or performer wants to join Sharesome, they can claim their existing community profile by verifying their identity. This requires ID verification and a quick video call with a member of our Community Management team. The best part about community profiles is that when a popular performer joins our platform by claiming their related community profile, they instantly have an already established audience with tens or hundreds of thousands of followers engaging with their posts and countless messages in their inbox.

Content owners quickly discover that their content is monetizable on Sharesome no matter who shared it. This is game-changing for the industry and takes the notion of evergreen content to a whole new level.

Coupled with topics, community profiles ensure that we cover all types of adult content, amateur or professional, from any performer or content creator, potentially including all available legal adult content on the internet.

# **Coming Soon: Crowd Tagging**

We are working on a Content-ID technology that will work like YouTube's Content ID, combined with community efforts, biometric software and machine learning.

Our tagging system is supposed to answer the following questions:

- Who is in the content?
- What is in the content?
- Who produced the content?
- Where to buy the content?

We want to leverage crowd wisdom and let the community tag the people who appear in posts. The principle is simple: allow anyone to tag a verified or a community profile and at the same time allow users to vote on the existing tags by upvoting or downvoting them.

Users can tag profiles or topics which are approved or denied afterwards by a verification system. There is no limit on the number of profiles or topics that may be tagged in a post, but by default we only show the top profile and topic with the most votes. When a user tags a profile that doesn't exist and the tag gets verified, the corresponding community page is created.

#### Smart tag verification system

Having a reliable tag verification system is crucial, especially when most tips to a post go to the content owners: the system must have an error rate close to zero. Conversely, manually verifying tags for millions of posts is largely impractical, therefore we needed to find a balance between the two. Our current tag verification system has two stages: the first one is automatic and covers the vast majority of cases, and the second one is manual and is meant for overriding errors and as a fallback when there is not enough information for the automatic verification to work reliably.

#### **Automatic verification**

The automatic verification system uses the number of votes for each tag in a post and the information we have about the people who voted on the tags to determine a confidence score for each tag in a post. Each tag is assigned a balance that represents the sum of upvotes and downvotes on that tag, and a weighted balance, which takes into consideration the user votes and the reputation of each user that voted on that tag. All users start with a default reputation, which increases or decreases when the user correctly or incorrectly votes on a tag. By looking at the total number of votes for each tag, the balance, the weighted balance, the standard deviation of the highly-voted tags and several other ratios between the above data, we determine the confidence score. If the confidence score is above a certain level, the tag is verified, otherwise the post is assigned for manual review.

The tagging system applies to all posts types except text posts and profile tagging is disabled for posts made by verified profiles on which the original poster certified that they own the content in the post (this is achieved from the post creation interface). Once two topics are verified for a certain post, we consider the topic verification concluded. By asking users how many people appear in a certain content and applying the verification system on this information, we are able to determine the number of splits in which the tips are divided, and therefore send tips to profiles who have been tagged and verified, even though the verification process for profiles is not concluded (e.g. we only found 1 out of 3 verified people in a post). Until the verification process is over, the share of tips from a post belonging to tagged profiles is stored and waiting in a buffer.

We built several safety systems and failsafes in the automatic verification system so as to properly deal with voting manipulation and users trying to trick the system in their favor, but if we detect any kind of suspicious activity, the post is assigned to manual verification.

#### **Manual verification**

If we do not have enough information to automatically verify the tags in a post, or if we want to manually override the results from the automatic verification, we use the manual verification system.

This system also allows us to ban or penalize malicious users by means of a three-level banning system.

# **Flame Token**

The long term goal for XFL is to become the de-facto medium-of-exchange token for adult goods & services.

Flame token is designed to be both liquid, deflationary and fairly distributed. This is achieved via its innovative approach to an initial liquidity offering (ILO) along with distributing the majority of the tokens ever created (60% of the total supply) as rewards for liquidity providers.

Additionally a percentage of all spending on the Sharesome platform will be dedicated to a perpetual Liquidity Provision (LP) program, where the proceeds will be permanently locked in the token's main liquidity pool.

# **The Token Integration Model**

#### **Flame Token and Flame Credits**

Flame Token is the native currency of the Sharesome ecosystem. But as an ERC-20 Token, day by day transactions are not possible due to the high transaction fees on the Ethereum Blockchain. In order to allow instant and free transactions between users, we have implemented Flame Credits. These are stored on the Sharesome servers, off-chain, in a centralized ledger and represent Flame Token 1:1.

The Flame Credits solution allowed us also to build the ecosystem before we start selling Flame Tokens on-chain.

All crypto is at some point handled on central ledgers. This happens for example in the moment Bitcoins are transferred to a centralized exchange (CEX), or when they are purchased from or deposited in an app like Revolut or Xapo. In any of these cases, the user loses control over their crypto and must trust the service provider to keep their crypto safe.

Often when discussing safety, it's in the context of trading it for something else - and this is usually convenience. We decided to go for a central ledger because it's more convenient:

- Transactions happen in real time (no confirmation time)
- Micro-transactions are possible (no blockchain transaction fees)
- Providing an accessible wallet is easier (no recovery seeds, etc.)

We agree that moving crypto off-chain and trusting us to keep the "originals" safe isn't the best way of securing crypto. Our intention is to offer a user-friendly off-chain wallet for smaller amounts (the one on Sharesome), whereas bigger amounts should be stored in a hardware, or paper wallet on-chain (the one the user opts for).

Once blockchain technology will evolve to allow micro transactions and user-friendly on-chain wallets, we will see more self-custodial wallets and on-chain transactions.

#### **Deposits and withdrawals**

There are two ways of adding Flame Credits to a Sharesome wallet:

- A user can buy Flame Credits directly from Sharesome (Treasury) at a premium vs the market price of Flame Token.
- A user can buy Flame Token on Uniswap and deposit Flame Token from their Ethereum wallet to their Sharesome wallet and receive Flame Credits 1:1 for their Flame Tokens.

In order to minimize the risk of losing access to their Sharesome wallets, we require users to provide us with a valid email address.

Withdrawals are disabled during our Initial Liquidity Offering (ILO). Afterwards, Flame Credits will be convertible to Flame Token at a ratio of 1:1.

All deposits and withdrawals are done following KYC/AML policies.

#### Sharesome wallet

With every Sharesome account comes a Flame Credits wallet. Flame Credits can be spent to purchase goods & services on Sharesome. Every transaction is recorded in the Sharesome wallet.

#### **Flame Button**

We provide a user-friendly credits button plugin that any website can implement to receive tips for their content. The Flame button can be used as a universal value-transfer button for any kind of content and website owners can seamlessly receive tips in their Sharesome wallet.

### **Goods & Services**

Flame Credits is the native currency of Sharesome, meaning it will be the only way users can move value around in the Sharesome ecosystem, from payments to promotion services, tipping, etc.

Flame Credit is built as a Medium-of-Exchange utility token on Sharesome with the utility being:

#### **Promotion/Ads**

Sharesome has a self-advertising solution to promote profiles and posts in exchange for Flame Credits.

Advertising is Sharesome's main business model.

#### **Tipping/Flame Button**

On Sharesome, users can send tips via the Flame Button. The Flame Button is the main interaction button that allows users to reward content creators for their work by sending them small tips using Flame Credits. Users can do this using the Flame icon, located in the top-right corner of every post.

Each click on the Flame Button will send 1 Flame Credit from the wallet balance to the post in question. For up to 60 seconds after the tip, there is the possibility to cancel the transaction through a reversal icon that appears under the Flame Button.

Each tip will then be split up and sent to different people, from moderators of the topic the post is in, to the regular member that shared the post, with the biggest slice being sent to the content owner. In essence, everyone that was involved in getting the post to the tippers screen gets a small reward in Flame Credits.

#### Messaging

Users pay an amount of Flame Credits for messages sent to verified content creators. At the moment, the price of a message is 20 Flame Credits.

#### **Coming soon: Flame Payments**

Buying goods and services from verified third party websites, using the "Sharesome Login & Wallet"

# **Token Specifications**

Token standard: ERC20

string public constant name = "Flame"; string public constant symbol = "XFL"; uint8 public constant decimals = 18;

Initial supply: 10,500,000,000 XFL Current supply: 12,862,500,000 XFL Max supply: 21,000,000,000 XFL

The smart contract is published on the mainnet at this link: https://etherscan.io/token/0x469861bdfd02e7ebce7cdeb281e8eec53069cf5f<sup>16</sup>

# **Token Distribution**

All Flame Tokens (XFL) are pre-mined, with a limited supply of 21,000,000,000. Out of the maximum supply, 50% are kept frozen in a smart contract deployed in December 2018, that will release 5% of the maximum supply per year on a monthly basis. The released amount will be issued to the company multi-sig wallet. Up until now the smart contract released 2,362,500,000 XFL to our wallet.

The circulating supply will be distributed as follows:

- Team: 8%
- Early Adopters: 6%
- Private Sale: 8%
- ILO (Initial Liquidity Offering): 8%
- Treasury: 10%
- Liquidity Providers: 60%

# The social media landscape for adult content

The current landscape for social sharing on adult websites is far from ideal. This stems from the fact that there is currently no major social platform for adult content, even though porn accounts for a significant percentage of internet traffic. The current sharing options on adult websites include websites like Facebook, Twitter, Tumblr and Reddit.

It is obvious that social sharing is not doing much in terms of driving porn traffic and very few people would think about sharing porn content on a social network. The situation is so bad that in 2017 Pornhub's April Fools <sup>17</sup> prank was telling users that they've automatically shared content on Facebook. Below is an overview of each of the current platforms' policies on adult content.

# Facebook

Porn is forbidden on Facebook, so much so that the platform has dedicated teams of thousands of people whose job is to filter out porn, as well as machine learning algorithms meant to detect explicit content.

Facebook is basically a "sexuality free zone", even banning "sexually explicit language".

# Instagram

Instagram is long known for targeting sex workers. In December 2020, Instagram updated its terms of service, stating that users cannot post sexual content.

# Tik Tok

Despite the demand for 'TikTok-style' porn videos (mainly thanks to the app's superior editing tools), which is fueling the rate at which NSFW TikTok videos are crossposted to other platforms, such as Sharesome, Pornhub and OnlyFans, sex workers are getting "purged" on TikTok. Nudity and sexual activity go against TikTok's community guidelines.

# Twitter

Porn is not forbidden, but explicit posts are collapsed by default for non-logged in users. Twitter was not created for porn and its main purpose is completely different from that of being a porn site. It is possible that they could one day decide to follow on Facebook's steps and outright ban explicit content.

<sup>&</sup>lt;sup>17</sup> https://www.thesun.co.uk/news/3232153/pornhub-april-fools-joke/

# Tumblr

Tumblr was rife with porn, but after initially changing its default content settings to "safe for work only", its policy changes culminated with banning all adult content on the platform starting December 17, 2018. After that, the website's traffic dropped from 521M MAU to 292M MAU (monthly active users).

# Reddit

In April 2019 Reddit decided to reject NSFW ads and remove all NSFW subreddits from any ad campaign.

Unlike its ad policy, Reddit's content policy is currently porn-friendly, but liable to change after its recent introduction of Facebook-like profiles as well as increased focus on traditional monetization. Recently, the company hired a CFO in preparation for an IPO.

# **Snapchat**

A few years ago, selling private snapchats would have been a good business for adult content creators. But since Snapchat started prohibiting "accounts that promote or distribute pornographic content" those times are over.

# **The Sharesome Social Plugins**

As an adult-only platform, Sharesome is uniquely positioned to grab the majority of adult content sharing. For this reason, we created a suite of social plugins. These can be integrated in any website and allow seamless sharing of content on Sharesome. Developers and website owners can access the plugins and quickly implement our code snippets from https://sharesome.com/developers.

#### Like and share buttons

The like and share buttons can be added on any webpage or integrated as part of existing social sharing widgets. They come with optional share counters and support for dark color schemes.

#### Social comments plugin

The social comments plugin can be integrated in addition to an existing comments section or as a standalone commenting system. Sharesome users can login and comment with their account on any webpage where this plugin is present. Alternatively, visitors are able to quickly create an account with Sharesome and start commenting

# **Sharesome Login**

The wide adoption of the OAuth protocol has significantly disrupted the way users authenticate on different types of platforms and services, including social networks, mobile games, SaaS platforms, and more. Unfortunately, the adult industry has failed to adapt to this change, mostly because of user concerns with privacy and because the main OAuth platforms people use (Facebook login, Google login, etc) are not very adult-friendly. For this reason we decided to introduce Sharesome login as part of the Sharesome SDK.

Sharesome login allows developers and website owners to integrate our OAuth service in their apps. Users who already have a Sharesome account are able to share information with third-party content providers, without the need to create an account for every adult website they use. By creating a seamless login experience for end-users, we increase conversion rates for our SDK adopters and at the same time, our platform becomes the central hub through which people consume adult content.

In order to use our platform, developers need to register a client and request an OAuth key. Using their OAuth key, they are able to make requests to our endpoint every time they want to authorize a new user. We are currently adding support for user types in our API to enable developers to leverage our existing user verification technology and register different types of accounts for regular users, verified users, stars and studios.

### Innovation has a 10 year cycle.

In 1997, people were sharing porn on Usenet groups. In 2007, Pornhub launched. In 2017, we released the first smart feed for porn. Climb aboard. We're going places.