
Introduction

We are the PORNX Project team, adore what we do and sincerely believe in the success of our project. Our team consists of experienced financiers, developers of blockchain-protocols, SMM professionals, traders because of what we like competing and impetuous people. That's why we have developed an innovative blockchain platform for online payment of cryptocurrency porn content all over the world.

Currently, payment by cryptocurrency has a poor implementation. The first reason for poor implementation is the recording of each transaction in the blockchain system and the long time the transactions are confirmed by the miners. Another reason is the weak network bandwidth is complex and on the kernel level.

There are only a few pieces of payment solutions online payment cryptocurrency simple purchases on the Internet, even at the project level. With regard to paying for pornographic content, there is no worthy solution in the world at all.

For more than 15 years, the system of online payment by bank cards has not changed, and the market itself suffers from stagnation and lack of innovation. In the classic payment by a bank card, there are a number of drawbacks. All these shortcomings have something in common - centralization. Centralized systems create excessive risks for users. These risks include the use of user data for personal gain, prohibition of regulatory authorities, vulnerability to fraud attacks. Here the blockchain and the PORNX coin ("PORNX") join the game. The PORNX solution is a payment platform that provides users of porn resources around the world with an online payment tool that works through a decentralized blockchain technology and a smart contract.

PORNX is created as a decentralized ERC20 token on Ethereum, which will be used to pay pornographic content around the world using Lightning Network technology.

Unlike today's payment solutions for the cryptocurrency, PORNX will not be used in the usual Ethereum environment, where commissioners charge the commission for confirmation of transactions. PORNX - will be implemented in the Lightning Network, which will reduce the commission for the transaction and make a payment lightning-fast, comparable to Visa / MasterCard, while remaining anonymous and secure.

Clever contracts PORNX and Lightning Network are designed to make payments secure and anonymous, via the mobile X-Wall Wallet device and using QR-code.

Now you can pay porn content without fear of stealing your personal data because now you have PORNX.

The first cases of using PORNX will be 120 popular pornographic resources around the world, to popularize PORNX and get acquainted with a new cryptocurrency

for a wide audience, but PORNX will go far beyond the boundaries of popular porn sites.

PORNX is designed so that any existing porn site can implement a technical solution (API) on its site and take PORNX as payment.

In addition to the fact that PORNX creates new revenue streams for porn site owners, it also helps the community to develop the cryptocurrency, it also allows you to increase the cost of PORNX due to the limited supply of coins. There is a reason why the porn industry will always be popular. You understand it perfectly, we do not need to explain it. And we, in turn, decided to create a payment solution for payment of porn was possible with the help of cryptocurrency. We will transfer payment by cryptocurrency to a new level using PORNX. The original offer of coins (ICO)

The original offer of coins is 340 million. X-Wall Ltd. - an organization with limited liability, operating under Singaporean jurisdiction. The organization is registered at Singapore, 50 Raffles Place, Singapore Land Tower (the "Developer"). The developer intends to offer the exchange up to 255 million tokens based on Ethereum. These tokens have the name PORNX ("PORNX"). PORNX for a limited period ("offer period") from February 11 to February 25, 2018, Pre-Sale. From March 1 to March 31, 2018, Token- Sale. Hereinafter "original offer of coins", "Pre-Sale", "crowd scale", "token-sell"). Pre-Sale will have a tight restriction on attracting investments of 5,000 ETH. Token-Sale will have a strict restriction on attracting investments in 70,000 ETH. PORNX are not securities and do not carry any rights that can usually be associated with securities. PORNX are tokens based on the Ethereum platform, designed for online payment of pornographic content. This Whitepaper (hereinafter referred to as the "project document") explains some aspects of PORNX and describes the methods of its intended use. This project document and the information specified here are not legally binding units. The original offer of coins is made only on the basis of a separate document - the Document on the offering of coins, which will be published later in this project document. This project document does not represent a PORNX offer or an invitation to an offer to exchange any amount of ETH for PORNX. The developer intends to put PORNX on several stock exchanges cryptocurrency. In view of the properties and mechanisms of PORNX described herein, the Developer also seeks to increase the market value of PORNX over time. However, there is no guarantee that the Developer will be able to achieve an increase in market value.

If you decide to participate in the original offer of coins as an investor, the Developer directly warns you that investments in PORNX involve a high degree of risk. For a description of the related risks, see the chapter "RISK FACTORS" in the document on the offering of coins.

Forward-Looking Statements

This document contains some statements about the company's development prospects. A statement about the company's development prospects is a statement that is not related to historical facts and events. The statement about the company's development prospects is based on analyses or forecasts of future results and profits of the company that have not yet been determined or are not anticipated. Such

forward-looking statements involve the use of such terms and phrases as "to assume," "believe," "can," "evaluate," "expect," "intend," "plan," "anticipate," "forecast," "will" and other similar phrases, including references and assumptions. This applies in particular to the statements in this document, concerns information about the future development of PORNX, plans, expectations for the introduction of PORNX in the porn industry or its rise in value. Forward-looking statements are based on the current best estimates and assumptions of the Developer. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual events to differ materially and be worse than anticipated or described in these statements. Accordingly, anyone interested in participating in the original coin offer is strongly recommended to read the chapter "RISK FACTORS" in the Coin Offer Document. This chapter contains more detailed descriptions of the factors that may have a negative impact on PORNX, X-Wall and X-Q Pay. In light of these risks, uncertainties, and assumptions, future events described in this document may not occur.

1. OUR PROJECT

The structure of the company

As stated in the current draft document, Martin Benson and Damian Lerner sold to serve as Managing Directors and have full authority to represent the developer.

Contact Information

If you have any questions regarding the Initial offer of coins, the PORNX Project or the PORNX cryptocurrency, then you can contact the developer by writing to the e-mail (info@porn-x.com)

SCOPE OF BUSINESS AND TRENDS

Below is a summary of the business scope and trends that may affect the PORNX ecosystem and the PORNX cryptocurrency. All the information described is present in the public domain on the Internet.

BACKGROUND

The founders of the PORNX Project came up with the idea of introducing a cryptocurrency as a way to pay for pornographic content. A cryptocurrency has good advantages as a confidentiality, anonymity, security, the speed of work and independence from the banking sector.

So there was an idea of creating a coin to pay for paid video content for adults. As a company, we did not limit ourselves to the American market or Asia. In the process of work, we contacted 500 projects through email correspondence and video and audio calls. We presented our idea and received approval from the majority of owners or managers of paid porn sites. Everyone wanted to introduce a method of paying bitcoin and other cryptocurrencies.

Thus, we have collected a pool of 400 largest porn sites around the world, we estimate roughly that together they generate more than 500 000 transactions per day worth approximately 35 million dollars.

At a closed meeting with investors, we received funding for the project. We started preparing technical documentation for the project, recruiting employees to the PORNX project and renting an office. Search for specialists with knowledge of several languages, since the company's interests are present both in the Asian markets and in Europe and America.

In the process of transition from idea to project, a number of difficulties appeared. Communication of employees, non-availability at a distance - as the market for technology blockchain is quite young, there are many high-profile specialists - but in practice, their results are more modest.

Building the links of employees took some period of time. Before starting the project, we wanted to make sure of the quality of the team.

Each department has its own office in various cities. The head has business trips to the main office and reports every month.

Lawyers have begun preparation for registration of trademarks and preparation of preparatory documentation.

The department is working on media.

Development Department - began designing the application and creation of the payment platform for payment.

Division of the community and the SMM began work on the media.

We kept the intrigue until the end and did not lay out the project for a public inspection. It was important for us to create a complete project. Spread a crude project and in the process of working to correct errors - this is not our rules of the game.

MARKET REVIEW

Since the mid-2010s, the start-up industry is beginning to experience major changes. The financing of companies and projects tends towards decentralization and diversified funding, which is provided by the general public. Venture capital loses its share, and crowd funding and ICO are starting to build up capital rapidly. At the same time, the new blockchain technology gave start-ups the opportunity to collect money in an independent and decentralized way.

The increase in the number of successful ICO projects and the general growth of market capitalization indicate a high demand for this method of financing.



WHAT ARE THE ADVANTAGES OF THE ICO, BEFORE THE IPO, AND WHY IS IT BETTER FOR THE INVESTOR

1. The liquid market.

Tokens are traded almost immediately at open sites. Easy exit for the investor. Do not see the development of the project, they came and sold their tokens on the exchange.

2. The ability to multiply your capital quickly due to demand in the secondary market.

You can benefit from reselling the tokens at a higher price after the token is released to the exchange in the future.

3. Bonus for investing in the project.

As an investor, you receive a certain service and bonuses for tokens. You can follow the development of the project and change it by offering interesting ideas to the creators.

Removal of intermediaries from the scheme of raising funds.

One dollar invested in Crowd Investing directly to the project is equal in three dollars invested in the fund.

THE OBJECTIVE OF THE PROJECT

We are a team of developers of the project X-Wall interested in the introduction of blockchain technologies, in daily life. Some areas are already occupied with interesting projects, but in the porn industry, no one implemented blockchain technology. We set ourselves a very serious and interesting task by combining two large sectors of the economy - the porn industry and the cryptocurrency.

Users of digital currencies around the world have about 36 million people and the total capitalization of the digital currency market is \$ 700 billion as of January 2017.
- According to CoinMarketCap.com Who are these users?

In the market there are large investors and account holders from \$ 100,000, there are also small enthusiasts on whose accounts is at \$ 300-500. Basically, digital currencies are traded on stock exchanges, they are stored in electronic purses. Less - pay for small services and purchases.

Money turnover of the porn industry a year from the sale of paid video content about 94.5 billion dollars (a reference to the source). People spend \$ 259.2 million a day on paid pornographic content around the world. Every day, about 2.4 billion inquiries are recorded around the world for "porn" requests and similar (reference to the source)

To realize the goal, we need to create an entire ecosystem, its name is X-Wall, and it will consist of:

1. Currency for payment on porn sites.

PORNX was created as a decentralized ERC20-token on the Ethereum.

The currency will be called PORNX - this is a registered trademark. The rights belong to our company X-Wall LTD.

2. Mobile app for purchases via QR code.

The mobile X-Wall Wallet application will be compatible with Google Market and the Apple Store. The application is designed with the ability to store 40 popular currencies, this figure will be more than 100 currencies in the future. And the storage of new tokens released based on the ERC-20 protocol.

3. The payment system based on the Lightning Network protocol for payment by cryptocurrency on porn sites.

The payment system X-Q Pay will be automatically implemented on the site as a plug-in. The plugin will have a QR code for payment using cryptocurrency. The QR code will have the compatibility of all popular wallets, including our own X-Wall Wallet application

Thanks to the functions described above, PORNX creates a synergistic platform for different audiences that previously did not interact.

A decentralized system is a combination of mechanisms that allow two or more parties to interact with each other and fulfill contracts without the need for third party trust (payment processors, regulators, banks, etc.). Such a system allows for private and commercial transactions between the two parties without fear of losing money or the product, as well as the need to trust the other party with the help of third parties. On the detachment, this happens through the use of so-called "smart contracts", which are already programmed descriptions of the conditions for each party that must be met to get their part from the transaction. Such a decentralized system solves all sorts of problems associated with current payment solutions since they are not secure. It gets rid of intermediaries and other parties that could affect the results of the rates and exclude the need to trust any third parties because the blockchain does it for you.

The feature of Ethereum is the support of smart contracts. A smart contract is a code that is entered into the blockchain account and manages its cryptocurrency accounts. He can receive and send

money, process information and stored data. Account management is performed without the participation of a person according to a predetermined, unchanged algorithm.

THE PROBLEMS OF BOTH SPHERES

Problems of cryptocurrency:

At the moment, there are very few services that support the payment of goods or services with cryptocurrency. Basically, users use cryptocurrency for dubious transactions, speculation on the exchange and investments in other digital projects. Less often spend on haircuts, coffee payments and small purchases for bitcoin. Also, there is an old way: translating to other users by the purse number is a dangerous way because it opens up opportunities for fraud.

Security problems of payment on porn sites:

Also, it is big problem when paying for purchases on the Internet - there are many phishing links that lead to forged pages and steal bank card data from users. In the process of buying it is impossible to tell where your data came from. Scammers without the knowledge of users-steal data and later steal money from bank cards. According to Forbes - in 2016 scammers stole more than 2.5 billion dollars from bank cards. And for the last 10 years, this figure is horrifying - more than 31 billion dollars.

What do we want to say: cryptocurrency - was designed as a payment system that does not have a centralized administration center? That is a decentralized currency. But for the popularity of blockchain technology, it should not have a limited pool of opportunities. There are areas where blockchain, not just imitation of new trends, but a real need

In order to make payments safe - we need to enter more than 10 lines of confidential information, wait for confirmation of payment processing systems and enter codes from SMS - and only after that, you get what you wanted. This is out of date.

Remember the moment when the waiter in the restaurant, for payment on the card, brought a bulky terminal. You inserted a card, the terminal read it, entered a pin code and only after that payment was made. And even at this point, intruders - stealing data from visitors, through skimmers. Now in each terminal, there is a function Pay Pass - contactless payment system. Faster and safer. The card was attached to the terminal and the transaction was completed.

Now on the Internet, the trend is to pay for goods - via QR code. Even faster, easier and safer.

We are on a trend and want to introduce payment on porn sites with cryptocurrency. Payment for purchases will be through the mobile application using QR-code. This will make all transactions anonymous. Blockchain technology will help make payments safe.

Concerning ethics and morality:

All users pay for porn content using credit cards in one way or another. Most of these users are married/married. Some users pay paid video content from bank cards of their relatives/relatives / loved ones. Payments are displayed in bank statements, mobile applications or SMS - we want to protect people who pay porn - from embarrassing situations in the circle of close people and relatives. When you pay with a cryptocurrency through a mobile application - the history of purchases of porn content will only be in the transaction history, and at your request can be completely hidden.

THE HARM OF FRAUD AND THE SAFE RESOLUTION OF TRANSACTIONS

In 2017 fraudsters caused harm in the amount of 2.5 billion Dollars (according to the result of the report of Internet Security Ltd.) by thievery of funds from bank cards. Mostly they use online payment as a data collection system for theft, by introducing phishing links and malicious plug-ins to collect data. PORNX will become an "antivirus" in an online payment network that will not allow users to steal data, so data is sewn into a smart contract and is not available even to chain members.

The developer's solution will be in the payment method. QR code, as a simple but effective way for payment to solve problems with scammers. QR code generated by the mobile application X-Wall Wallet and displayed on the site. QR-code will be sewn into a smart transaction contract and will be a "multi-signature" unique transaction - this will make payments safe. The mobile application will not allow scammers to use fake windows for payment, the mobile application will automatically block the transaction and limit the possibility of fraud.

WHY IT IS IMPOSSIBLE TO PAY ANOTHER CURRENCY, FOR EXAMPLE, BITCOIN OR ANY OTHER

In 2015, the cryptocurrency bitcoin faced scaling problems - the inability of the network to process more than 3-7 transactions per second. This restriction is conceptual, in other words, increasing the bandwidth in the old format - by increasing the block - can lead to a weakening of the decentralization property inherent in the cryptocurrency - to the absence of a single point of failure.

The community chose several ways to improve the network. Eventually, the disagreement led to the division of bitcoin into two parts: Bitcoin and Bitcoin Cash, the first of which chose to scale through the SegWit + Lightning Network.

Unfortunately, bitcoin at the moment is a coin for the input and output of fiat money to the cryptocurrency, the main transactions take place exactly in Bitcoin, in the more rare cases Ethereum. The bitcoin resource is limited by the number of coins,

namely 21 000 000 coins, this is a programming model that does not allow increasing the number of coins in principle. Imagine that everyone will pay bitcoin, network overload will be fatal.

In addition, when carrying out large-scale ICO - and acceptance of such coins as Bitcoin and Ethereum the transaction confirmation time is increased many times and can reach several hours. Imagine: you went to pay for a purchase in a boarding school and wait for confirmation of the transaction for about 3 hours, it's unthinkable. That's why, our company X-Wall Wallet LTD conducts ICO with the purpose of creating an ecosystem for payment in the local area-support sites, webcams, online games for adults, sex shops.

We want to introduce a blockchain into the huge porn industry. It will give an opportunity to an ordinary visitor of porn sites - use a payment tool - a digital currency, which can not be used for this yet.

For the sustainable use of the PORNX coin, you need to conduct quick micro-transactions and give coins the properties of anonymity, confidentiality, and security. These properties are possessed by the Lightning Network protocol - as a basis for building an X-Q Pay payment system for the payment of pornographic content.

So, the first definition: Lightning Network is the concept of increasing the throughput of the network of tokens to the number of transactions compared to the Visa network.

We create a payment system based on the puncture Lightning Network

CLASSIFICATION OF TOKENS

Companies that deal with the Initial Placement of Coins (ICO) issue coins for specific purposes. There are three types of coins, we will tell a little about them

1. The main token (en-tent token) - (Example BTC, ETH) - the main token that is tied to the operation of the system and requires confirmation of transactions by mining.

2. Custom application token, a token tied to the functionality of the system, for example, the internal currency of the game, which serves as the unit of payment.

3. Equity token - a token tied to a share in the company, or performing similar functions (payment of dividends, redemption from the market). Conjugated with legal difficulties.

WHAT ARE THE TASKS OF THE BLOCKCHAIN TEAM, WHAT DOES IT NEED IN THIS INDUSTRY

When on the Internet scammers find an area where they can use the inexperience of users and introduce phishing links and other tools to steal your data -

this part of the Internet becomes opaque. To make payment on the Internet transparent and safe - you need a blockchain system, as the only modern tool for creating secure transactions. The main advantage of using the blockchain is transparency of the transactions.

Blockchain was created to make the banking system decentralized. There are no resources that can influence mathematical algorithms. The machine is incorruptible, it does its job. Protects your data and makes payment tools safe. Blockchain will be a great help for any services where users could worry about possible fraud or data security:

1. Micropayments
2. Bank operations
3. Logistics
4. Jurisprudence
5. Medicine

We dared to take the two main areas for fraud and bring in the blockchain in the local area. Payment for pornographic content services using cryptocurrency, instead of a long and uncomfortable payment by a bank card.

The X-Q Pay payment system built on the basis of Lightning Network will generate a unique payment page and a QR code for payment, which only the mobile X-Wall Wallet application and authorized mobile applications of partners will recognize for payment. This simple but effective solution will not allow phishing links, and other actions of scammers - to make purchases with the help of someone else's bank card.

THE GROWTH POTENTIAL

Over the past year, the volume of the cryptocurrency market has increased 70 times from 10 billion US dollars. In early 2017, the market volume was - 10 billion dollars at the moment, 700 billion dollars. And this is only the beginning. The cryptocurrency becomes a part of the economy, it introduces its services to different countries and increases the number of points for accepting cryptocurrency as a payment instrument.

The more projects will have the practical implementation on the Internet or in everyday life - the stronger the cryptocurrency will be in the market.

A direct indicator of the growth of our company is the confirmation of actions from the roadmap. Paying for porn services is a huge industry. People are made the way, that interest in porn will always be. This is a necessity. We do not play on vulgarity and human weaknesses. We want to make convenient payment service. And we chose the promising and popular direction. The potential is huge - at the moment there is no real opportunity to pay porn on the Internet with the help of cryptocurrency. Except for some resources where payments are made by PayPal. PayPal - the service is slow and difficult to use (note: Red link to some source where they told how inconvenient to pay PayPal).

Competitors.

For the entire period, there were several projects - similar ideas and plans.

It:

1. Vetkoin - died at the idea stage

2. Titcoin - pure water scum, collected money and did not

3. Vankcoin - the project fell apart, not enough experience for the creators

As competitors, we do not see anyone nearby in our sphere.

We are the only ones who have a ready concept. Project for its implementation.

Financial model. Registered name, trademark or trade name. Application and payment protocols. The arrangement with partner sites to implement a ready solution.

SOLUTION PORNX

The PORNX Project platform is a payment platform that provides users of pornographic resources with an online payment tool for any paid services that work through a decentralized blockchain technology and a smart contract.

Features of tools:

1. Currency for payment on porn sites.

The currency will be called PORNX - this is a registered trademark. The rights belong to our company X-Wall LTD.

2. Mobile app for purchases via QR code.

The mobile application will be compatible with Google Market and the Apple Store. The application is designed with the ability to store 15 popular currencies, later this figure will be more than 100 currencies.

3. Payment system X-Q Pay - for payment using cryptocurrency on porn sites.

The payment system will automatically be implemented on the site as a plug-in. The plugin will have a QR code for payment using cryptocurrency. The QR code will have the compatibility of all popular wallets, including our own X-Wall Wallet application

WHY USE PORNX FOR PAYMENT

PORNX is a cryptocurrency that is designed to pay for pornographic content for adults, as well as other payments within the framework of pornography.

PORNX is a porn token around which an entire ecosystem is built, and it ensures its success. No other platform can now boast of such flexibility and freedom of choice.

At the moment there is no single currency to pay for pornographic content that would be accepted all over the world. This is due to the limited legislative systems of different countries and the complexity of legal registration.

Modern technology PORNX allows you to forget about these problems and makes it possible to pay for purchases not only for residents of one country but for the population of the whole Earth, regardless of where it is located and under what jurisdiction it lives, what citizenship it and other bureaucracy.

The ecosystem will allow using the porn-token as a unit of payment on porn sites around the world. The user will have the opportunity to pay for the cryptocurrency and get a discount and additional bonuses for that.

A token can be successful - if the user needs it; not an investor, a speculator or a trader. Each company that creates its own cryptocurrency should be guided by the needs of future users. Among the needs of users:

1. Anonymity and confidentiality of payments.

Inside the protocol Lightning Network laid down an algorithm that does not allow computers to process operations - to access information.

2. Transaction speed.

One of the weaknesses of the cryptocurrency is the length of transactions. We used the "Algorithm Name", it will allow you to make transaction speed and bandwidth comparable to VISA. In more detail, here ([hyperlink](#)).

3. Convenient and simple interface.

The interface should be accessible to ordinary users, without complex consensus algorithms. Usual bank payment via QR-code.

The ability to quickly buy and sell PORNX.

The mobile application X-Wall will instantly buy and sell PORNX, 12 fiat exchange currencies.

We are creating an ecosystem - to PORNX not lost among other coins. PORNX will have a local application and a specific target audience:

1. Porn sites - pay for paid video content

2. Sex Webcams chat - a token for use in the resource

3. Porno-Action Games - Paid Subscription to the Game

4. Stores of goods for adults (Sex Shoppes) - payment for goods

To use the coin as a unit of payment, we create a payment system taking into consideration the punctures of the Lightning Network.

The payment system will have two distinctive advantages:

1. Fast transaction speed and high throughput - comparable to VISA or MasterCard.

2. Instant purchases using QR code. You bring the phone, read the QR code and pay the purchase.

For the active use of PORNX by ordinary users on the Internet, we create a mobile application, with the ability to:

1. Purchase / Sale / storage PORNX.

2. Sending and receiving of TOP-40 digital currencies

3. Payment for purchases on the Internet using QR-code reading - available currencies for using PORNX and TOP-40 digital currencies.

4. Storage of new tokens created on the basis of Ethereum and the ERC-20 protocol

Advantages of paying by PORNX

When paying for porn sites partners will be given a discount of up to 20% of the partners as a way to increase interest in paying for cryptocurrency

When paying with PORNX, your personal account will be returned to 5% - Cashback

THE MISSION OF PORNX

PORNX selects the item - Custom Application Token.

PORNX is not just a stock or a useless token.

Custom Application Token is a way of payment for goods or services. It has a cash equivalent and can be exchanged at any time in the mobile X-Wall Wallet application.

PORNX is designed to be used as the only digital cryptocurrency for paying pornographic content around the world.

It will have a real application on the Internet - people will pay by it for paid content for adults.

The question arises: Why should they pay? There are a number of advantages that we laid in PORNX:

Benefits:

1. Discount up to 20%.

Discount when paying for PORNX - depends on the site, the discount table will be disclosed when implementing specific resources.

2.X-Wall LTD. signed an agreement with 230 partner sites on the sale of porn content. Partners will provide a discount of up to 20% in case of payment using cryptocurrency to support a new dynamic market.

3.Blockchain effect

Users will pay tokens PORNX - because it's safe, anonymous and confidential - it provides a blockchain, your data is sewn into a smart contract and is not accessible to anyone;

We'll tell you about the blockchain effect in detail.

1. Confidentiality:

Confidentially. In the process of payment, your data is encrypted and protected in a smart contact and will not be transferred to other users and scammers.

The second plus of confidentiality when paying for PORNX is the fact that data is not displayed in the client bank, in paper extracts from ATMs, SMS on telephones - where you do not want to disclose your data, and display payment for purchases on intimate topics. The data that you paid for the porn - not disclosed, these purchases are displayed in the mobile application, and the details of the purchase are still hidden, in case of embarrassing situations)

2.Anonymous (since no one asks for your details when paying for it, no one knows who the buyer is, where he looks and pays for porn, in some countries porn

resources are banned, and even in case of bypassing through proxy servers or VPN programs, the bank-emitter from countries where porn content is prohibited - may not accept the transaction, so many people do not want to know about them that they watch porn)

3. Security secures a blockchain

Security provides a blockchain. Mobile application X-Wall supports only QR-codes that our system generates. X-Wall Wallet simply does not accept other QR codes that can implement phishing sites and malicious programs, such a suspicious transaction will not be confirmed.

Now, you can pay by QR-code and the transaction will be completed.

On all sites - where there is a possibility to pay using QR-code where you do not want to disclose your data, and display payment in purchases on intimate topics. An additional goal: the opportunity to introduce a blockchain system into the Market Place of online purchases do not talk about it and start with the introduction into real sectors of online sales the possibility of paying with cryptocurrency. Side effect: with constant transactions - the rate will increase.

WHY THE PORN INDUSTRY SHOULD SUPPORT YOU

Porn industry needs cryptocurrency - as additional profit. Porn will help the cryptocurrency - develop. There are 380 million users are interested in the porn industry in a day. This is the statistics of 6 search engines around the world. Porn content means paying for subscriptions for viewing. As a way of payment, these are popular digital currencies applied here. If ordinary users are not acquainted with the sphere of the blockchain, their level of interest in it will rise and they will invest the minimum amount in development, the whole sphere of the blockchain will win and increase the capitalization. Including the cost of popular coins. This is understandable.

Why is the porn industry supposed to need the cryptocurrency as a payment tool?

We have 36 million users of cryptocurrency and a market volume of 700 billion US dollars. If you divide the market volume by the total number of users, then each user has slightly more than 20'000 US dollars. This figure, you need just to compare - think about it is 36 million secured users. This is a tasty morsel for the porn industry.

Here is a concrete public example that leaves no questions.

Who are your customers

Our audience is 380 million unique users - daily. It is this number of users who make inquiries on the Internet at the request of "porn" and the like. More than 1 billion requests for "porn" topics and similar are registered on the day.

The demand for cryptocurrency is growing daily. At the request of the cryptocurrency, bitcoin, blockchain - about 80 million people a day are looking for a day. According to our calculations, based on the statistics of search engines 20.4 million users - intersect in the requests. This is our audience and our customers.

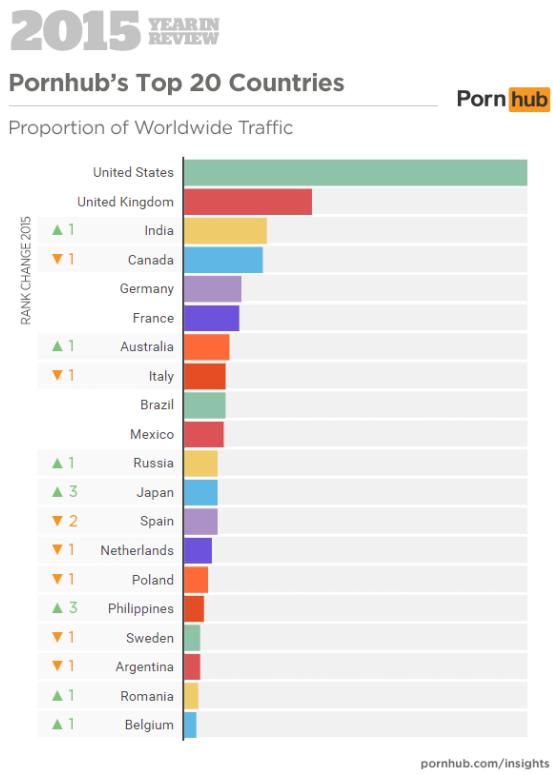


Figure: Proportions of global traffic from search queries

The community is your investors.

Our task is to make our investors - our users.

We want to make a convenient service for paying for porn content. To do this we create a closed system for using the PORNX token.

You probably understand that there is a model of Crowd Marketing and crowd investing.

Crowd Investing.

Your investors first invest their investments in the project. In the future, when the project is implemented, the token begins to use your coins within the project. If they are interested, they will tell their friends. It will gain more user demand by advertising a porn token among friends. The token will start to rise in price.

Plus in crowd investing - those investors are your users. They give feedback on the quality of the work. Identify errors and bugs in the process of the project. They make proposals for the development of the project. Offer new directions. This is direct contact with investors for developers, which makes it possible to understand the needs of users. It is an opportunity for investors, to see project managers, and to look at the project being invested without the "dark curtain" of any Start-up project.

Crowd marketing.

Users themselves are engaged in the development of the project - telling their friends and acquaintances, sharing information on venues and forums. This adds popularity to the project, direct feedback from ordinary users - attract a large audience to any project. This enables the token to grow. This testing and feedback from new users for developers.

WHAT TYPES OF INVESTORS ARE THERE ON THE MARKET

1. Traders and Speculators

Use investments in ICO, for short and profitable trades - so that when you enter the exchange - it is profitable to sell tokens at the stage of inflation of prices by exchanges.

2. To maintain modern technologies and interesting projects -

Some investors identify interesting technologies for themselves and invest in local projects in anticipation of the development of the conceived. For some it's the gaming industry, a number of investors prefer Metal, Gold, Salt - as a powerful impetus for the development of productions.

3. Investors who invest "long money"

A number of projects show an increase in the cost of tokens, only at the stage of the project's release in production. More experienced investors, track projects with a good team and keep tokens to the last - earning a really strong multiplication of investment deposit

4. On the fan - willing to support any projects.

Because of the rapid development of the cryptocurrency world, and in 2017 as a whole, it can be called the year of Bitcoin. Young investors invest little in all projects, indiscriminately. In the literal sense of luck, not understanding the integrity of the project.

5. Investors who will use the service in the future.

Investors choose projects where the coin has a real application and the possibility of further use of the token for its purpose. That is, in addition to the reward for investing, you can get usability in the form of a free bonus.

We are interesting for investors of all types:

1. We have preliminary agreements with 2 exchanges so that after Pre-sale and Token-Sale we could be flooded with these exchanges.

2. Now, developers in the field of blockchain are completely immersed in the issues of scalability of bitcoin, but there are disadvantages which we described above. That's why we took the X-Q Pay-Lightning Network as the basis of our payment system, as something completely modern, and it's ahead of all modern ways to speed up transactions. This will put the cryptocurrency completely on the other, and we will be the locomotive that will finalize the protocol to the needs of users. Therefore, the technical filling of our project is even more interesting than the external intriguing shell.

3. We have a short way to implement the project, after 12 months - we will be able to show the first results. Therefore, investors will be able to minimize risks. But on the other hand, who invests in the project at the beginning of our journey, in about a year, according to our calculations - will be able to multiply its investments x50-100 times. If you look at the statistics, then 5 000% is an average growth, even for those projects that did not release the project into production.

4. Such investors invest relatively little money and are usually guided by interesting names or charging projects. Read a couple of lines at the very beginning, and you will understand that the interest in the project will be throughout the development phase. And for investors with a small amount of investment - we have developed a convenient system of discounts and rounds, which will allow them to catch their chance to invest in an interesting project.

5. Frankly, we are interested in investors in the latter category. Since in the future we work with users - deliberate the interface and convenience of the payment system of mobile application for them. After all, the field of application is not limited to the porn industry. In case if we have ready-made solution for paying for purchases using cryptocurrency, we will be able to capture new sectors of the Internet and online shopping services.

And even there you are suddenly from another type, then become a part of our team.

We will draw prize packages with branding for our investors:

1.Sports shakers and comfortable boxes for food

2.Decorative pillows and a set of soft towels

3.Office suite: Notepad, diary, ballpoint pen, calendar with the roadmap of our project.

4.Svitshot, T-shirt and baseball cap with interesting symbols of the cryptocurrency world.

5.Balls for football, basketball, and American football.

This is a pleasant gratitude for participating in our project, and the opportunity to get to know the audience more closely.

Our investor team will also receive additional bonuses as a reward for believing in us and investing in the development of the project. The bonus is a pleasant answer, and working with clients. We did not just collect money and develop the project, we know our investor and are ready to communicate with him on any topic.

OUR ADVANTAGES

1.PORNX - all over the world, on every site.

PORNX - designed as a currency by which you can pay pornographic content around the world. You are in Asia - do you want to watch American porn content? This is absolutely not a problem - with the help of PORNX. You pay for purchases of porn content with the help of PORNX, and the arrangement with sites is our concern.

The list of available exchange currencies for PORNX exchange is more than 30 currencies, for the convenience of users. The list of financial currencies will increase, in the process of developing a partner network of porn sites.

2.Anonymity.

When you pay for PORNX, you do not need to disclose your personal information on the site. Paying for purchases using PORNX gives the user anonymity and confidentiality. When exchanging a fiat currency, your data is also safe, because the exchange takes place in a mobile application built on DApps (decentralized software for mobile devices). Your data is protected in a smart contract and is not disclosed to outsiders.

2.Quick payment

With the help of PORNX, the user pays for purchases on the site without registration, authorization, long payment of bank card data. Pay for purchases instantly on the site, through the mobile application X-Wall. You bring the phone to the screen and pay for the purchase by reading the QR code.

3.Security

When paying for purchases on the site using PORNX, you do not enter your personal data (billing information and personal data) on the payment page. Scammers will not be able to get personal information from users. QR-code for payment is compatible only with the mobile application and generated by the system prescribed in the smart contract. In simple words: the mobile application will not write your tokens on the scam purse. The application has secure access and does not transfer the QR code to other devices, you personally confirm only your transaction, and your data remains in the private access of the smart contract.

WHAT WE HAVE RIGHT NOW

Alpha-version of the mobile application is being prepared for release as a presentation of our project.

The technical solution for the test version of the operation of the X-Q Pay payment system built on the basis of its own blockchain solution Open Chain

An arrangement with partners in several areas:

- 120 porn sites that plan to implement on our payment system and PORNX as a unit of porn content payment

- An arrangement with 3 major projects of online porn games. There are more than 1000 porn games under the control of 3 brands.

- Arrangement with 15 webcams around the world - to accept PORNX as the main unit of payment for services

- An arrangement with 10 sites for the sale of goods for adults - the use of PORNX for payment as an additional method of payment is in test mode.

The signed agreement with the partner bank of Japan (at the moment according to the document, we do not have the right to disclose the bank) to confirm the banking transactions in the international legal field.

More than 1000 sites for the sale of porn content - was interested in the idea of adding a cryptocurrency as a unit of payment.

STRATEGY OF SUCCESS

The success of the company and the growth of the value of coins requires a good idea, an excellent company, a financial development model, and then the project with no chance of failure, it is doomed to success.

Therefore, We took advantage of the possibility of a complete lack of competitors in the open market, and create an eco-system for combining the porn industry and cryptocurrency.

Cryptocurrency is a young market - it offers great prospects, and the porn industry is a large and complex sector of remittances and payment services by fiat currencies.

We are the PORNX Developers team, our future investors are the owners of digital currencies like you. And we are saddened by the fact that there is no other way for everyday use of digital currencies except multiplying the capital and trading on stock exchanges.

The market for the application and introduction of digital currencies is just emerging, there are rarely significant projects with an understandable and ultimate goal of creating a company.

We decided to settle densely in the porn content paying market, by signing 120 contracts, with future partners - who will introduce payment for pornographic content by digital currencies.

Every day 2.5 billion Internet inquiries are registered to search for porn content. Again - 2.5 billion requests. A day on porn spends 259 million dollars. Each subscription costs about \$ 7 and 37 million people in average pay porn daily. This is a huge audience.

Our product will be understood by ordinary people, it will rather be used as a more convenient service than the standard payment by bank cards: entering numbers, waiting for confirmation from the bank, entering a special code is all in the past. And now it will be simple - scanned the QR-code and paid for the purchase. In one click and you got what you wanted.

But it is important that the average user does not study the blockchain for buying. It was not necessary to understand the algorithms of consensus. You use the usual banking interface but pay with cryptocurrency.

The guarantee of the fulfillment of obligations will be Blockchain technology itself, which does not allow changes to the records.

The developer decided to come up with a comprehensive approach to solving a number of issues - in the payment sector and the use of digital currencies on the Internet. We create a whole range of services - which in combination will create an eco-system for storing TOP-40 digital currencies and the ability to pay for it in the Internet.

Our strategy of success - We will break into the market and become the first company - whose coins are used on the Internet to pay for porn content.

1 PORNX token will be equal to 0.4 \$ - at the time of sale on Pre-Sale and Token Sale.

In future, the rate will only grow. We plan to multiply the time of the project's launch in production by 50 times, as according to the examples of similar projects this is the shortest period. You can pay 1 coin in total for the weekly subscription. 340 000 000 tokens will not be superfluous and will scatter over all resources y will circulate between sites and users.

The distinctive properties of the PORNX project

1. The absence of competition.

No company has implemented its token in the porn industry market.

2. The modernity of technology.

The innovative Lightning Network solution is anonymity of transactions, transaction speed, and network security.

3. User-friendly interface.

Easy and convenient payment by QR-code via QR-code directly on the site.

4. Fast implementation.

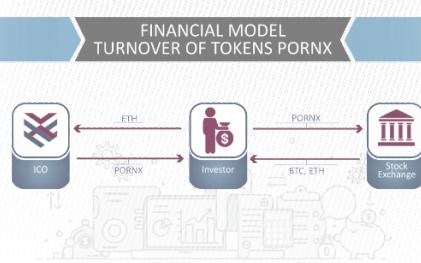
We offered to the owners of porn sites the technical model PORNX Project - they were interested in our model, and they are ready to connect PORNX in a test mode for payment directly on the site.

THE RULE WE WILL WORK BY

The release of PORNX tokens is regulated by the ERC20 smart contract based on the Ethereum blockchain system.

There are three levels in which PORNX is used, each level will be analyzed separately.

Level 1



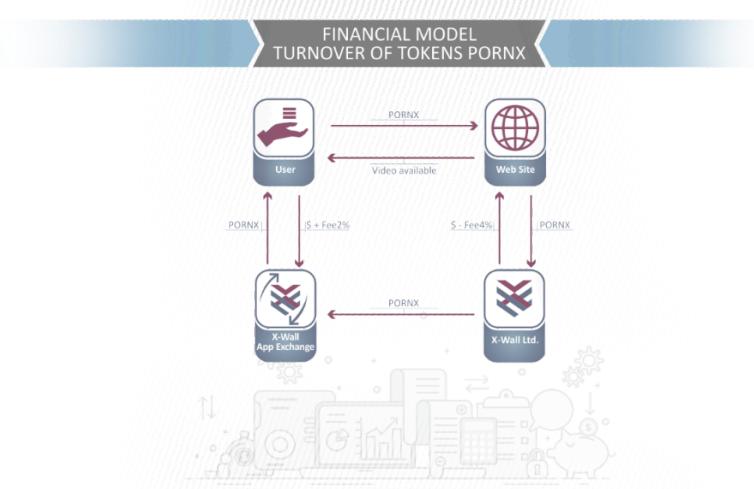
This level implies the use of PORNX among users and confirmation of transactions are handled by the Ethereum network miners for a commission in the form of GAS. The main chain of Ethereum is Proof of Work. GAS is the fuel of the Ethereum network and the remuneration of the work of the miners.

There are several cycles in level 1:

1. In the ICO process, the investor lists ETH according to the rate set by the Developer in exchange for PORNX.
2. In the process of entering the exchange, investors with PORNX stored purses transfer their tokens to a personal account within the exchange.
3. During the implementation of the project, the Developer will buy the PORNX tokens for further use of PORNX within the X-Wall Exchange service
4. X-Wall Ltd. will buy PORNX and exchange them for the Fiat currency as part of the legislation when interacting with stock exchanges. Also, it will make an exchange with BTC, ETH, USDT.

All these cycles will be implemented in the blockchain of the chain Ethereum, the miners will confirm the transactions.

Level 2



Level 2 implies several cycles, but there is an excellent feature here.

All transactions will be carried out within the Open Chain PORNX closed blockchain system in the first stage when launching the payment system X-Q Pay, and later on in the network Lightning Network. It will work inside a single block on a separate server, the transaction of this blockchain will be confirmed by the oracle, which is decentralized and implemented according to the mathematical encrypted model. As a part of the Open Chain solution, there is no commission for the transaction, all material costs for the test network, and the test solution - the developer takes care of until the Lightning Network is fully implemented. Now there is a test solution that is implemented, at this level.

Link to GitHub: <https://github.com/PORNX>

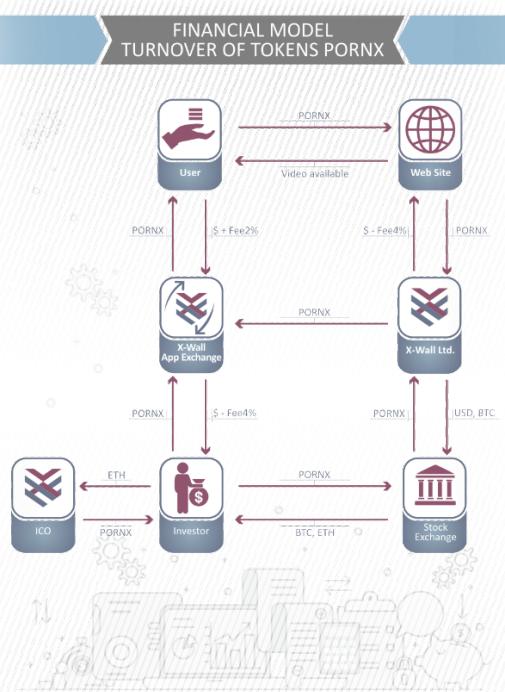
Level 3

Level 3 implies LN, as a payment system capable of reversing all technical solutions at the moment.

All the events taking place at this level will occur within the framework of the Lightning Network, which implies confidentiality of payments, anonymity, security and a minimum commission within the decentralized network Lightning Network. Innovation is the Lightning Network - it is the acceleration of cryptocurrency payments without delegation of money ownership to a third party, and the combination of various cryptocurrencies into a single network with border points in the form of decentralized exchanges.

The difference of Lightning Network from such networks as Visa and MasterCard is that everybody can join it. This property of "openness" is achieved through the use of smart contracts. Also, note that the Lightning Network has algorithms similar to Tor's, so the payee and the sender of the payment are not known to the hosts.

The implementation of this solution is possible in the case of reaching the Developer Hard Cup. In this case, it is possible to implement a full cycle of solutions based on the Lightning Network.



FINANCIAL MODEL

For the successful existence of the company, we must make a profit.

The yield on operating profit is planned in 4Q 2018 - 1Q 2019.

The profit will be divided into 3 types:

1. Commission for the transaction from website owners.

X-Wall Ltd. will receive the profit at the expense of the commission with the transaction, as any processing company. According to generally accepted standards, the processing services that you use daily, take this commission from the site owners - not from users. That is, the price for the user will remain unchanged - and we will receive a commission for support to maintain the efficiency of the payment system.

2. Fiat exchange on PORNX

The additional commission will be charged for the purchase of PORNX - inside the mobile application X-Wall Wallet, the purchase of PORNX - will be equated to the input of fiat money into the cryptocurrency. We will charge a small commission for a "back cushion" to optimize the costs of buying out PORNX from crypto-exchange exchanges and further use inside the X-Q Pay payment system.

3. Commission for the withdrawal of PORNX in Fiat from the holders.

PORNX holders can exchange their tokens for fiat money, BTC, USDT inside the mobile application X-Wall Wallet. A small commission will be levied for withdrawal to Fiat, to maintain a "back cushion."

Thus, the total commission for the turnover of PORNX - will be up to 10%. This will ensure the profitability of the company, as well as financial resources for the further development of blockchain technologies and the popularization of the payment system in other services, not only in the porn industry.

WHY THE TOKEN WILL GROW

The market will grow.

The market has a high liquidity. A large number of people are interested in cryptocurrency, invests in ICO. People want to become investors and make money on their investments. They want to take participation in the interesting projects and do want to invest in more popular ones. We do believe that porno-token will certainly be very interesting and popular.

In the ICO process, all PORNX were distributed by the market. Investors who invested money want to be rewarded for investing in the project at an early stage. This reward will be due to interest in the project and purchasing power in the secondary market after the project is released to the stock exchanges. In the process of working on the project - PORNX tokens will be traded on the market, in the format of standard exchange trading. When the project is launched, all tokens will be linked into a single chain in the Lightning Network payment system.

With the development of the project and the replication of the PORNX project, the demand among ordinary users will increase and attract additional money to the cryptocurrency. This will spur the growth of the PORNX project and, in general, the cryptocurrency.

The growth of the purchasing power of the PORNX token will ensure the growth of the price of the PORNX token. As a result, players in the secondary market will buy

a PORNX coin. Primary investors will get out of the project and will get their short profit.

Those investors who will enter the second stage or those who will wait for the project to go into production - to get more super profits, to multiply the value of their assets by several dozen times, supposed to wait until the project reach the partners' sites and the first use of the PORNX token - in the service.

Ordinary users will be able to use the PORNX token to pay on the site, but in order to buy a token, it will be looped in the Lightning Network system through decentralized exchanges, which will partially contain the PORNX tokens and which will be redeemed by users in the mobile application X-Wall Wallet.

The scheme is simple - the tokens that are placed on exchanges fall into the field of activity of the Lightning Network - and in case the user purchases PORNX, the X-Q Pay payment system based on the Lightning Network automatically redeems them from the exchange and transfers them to the user.

This makes increase of the rate possible for ordinary users and gives the PORNX token a feature of the closed system that ensures the growth of the token. This growth will be until all the tokens available on the exchanges are redeemed. Thus, we will reward investors who, in the early stages, invested in the PORNX project and thereby investors multiply their investments by several dozen times.

1. The coin has an economic meaning inside the X-Q Pay payment system - it is PORNX that will be accepted as payment on the porn sites and it will be the discount on payment for it.

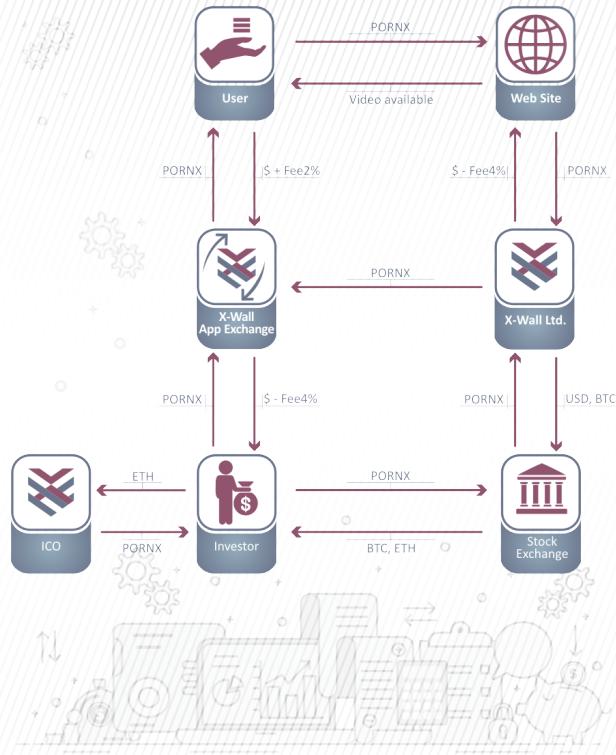
2. For a coin to grow, there must be a demand among users. Growth will be ensured by the constant purchase of PORNX for the payment of pornographic content. Users pay porn content with the PORNX token and it automatically grows in price, due to the constant volume of coin trading.

3. The coin is growing among users. The first step is investors (investors) - in order to develop the project and give the coin the potential for growth. The next wave of growth is a gradual entry into all stock exchanges. The next wave is the introduction of the payment system and its active use, thereby giving a big boost to the growth of the coin itself. It is used by users. The rate will grow in proportion to growth. Then PORNX will be more successful - so the coin will be more expensive. It is clear that our success is inevitable. Since we have support among partners and a huge demand among future users. The number of paid porn content for adults is growing every year. The project will have a permanent audience of users - our community, for which we always plan to improve the project.

In the framework of the closed PORNX ecosystem, the PORNX token will be redeemed from investors and PORNX owners during the launch phase of the X-Q Pay payment system.

In the foreclosure process for use by users, PORNX tokens will be redeemed by the Developer through exchanges for turnover among users, from this the rate will grow exponentially.

FINANCIAL MODEL TURNOVER OF TOKENS PORNX



PORNX ECOSYSTEM

Ecosystem PORNX will consist of 3 elements.

1. Digital currency PORNX

Full name: PORNX

Abbreviation: PORNX

Total number of tokens: 340 000 000 PORNX

2. Mobile application X-Wall Wallet

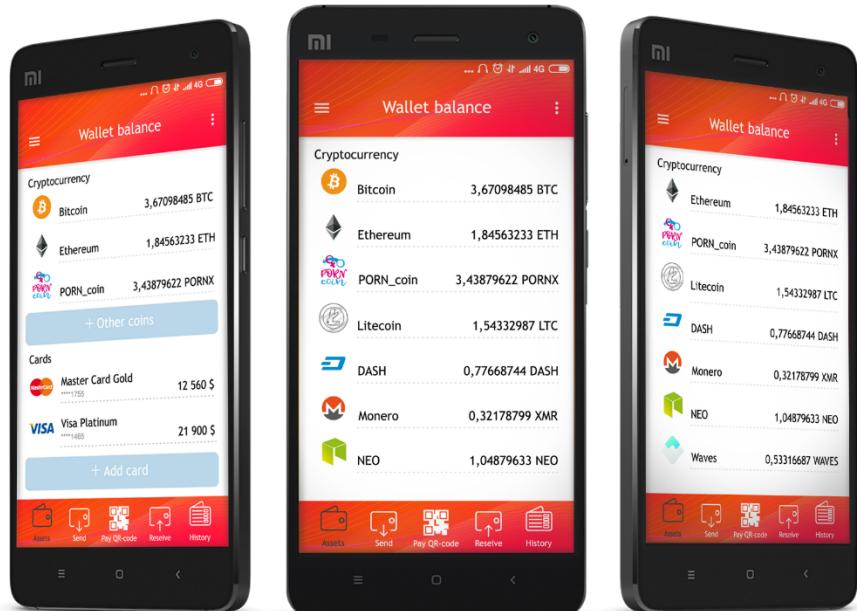


The mobile application X-Wall Wallet will have several important functions:

2.1 Storing and using PORNX as a currency for paying for various porn content:

- Porn sites.
- Sex webcam chat rooms
- 3-D Action Games porn themes
- Shopping for adults (sex toys)

2.2 Storage of popular currencies in a convenient mobile interface. Such popular currencies as Bitcoin, Ethereum, Litecoin, Dash, Ripple, Monero, Bitcoin Cash, NEM, NEO, ETC, ZEC.



2.3 Storage of new tokens created on the protocol ERC-20. In the mobile application, it will be possible to store new coins based on ETH, released in the ICO process who are waiting for their entry to the stock exchange.

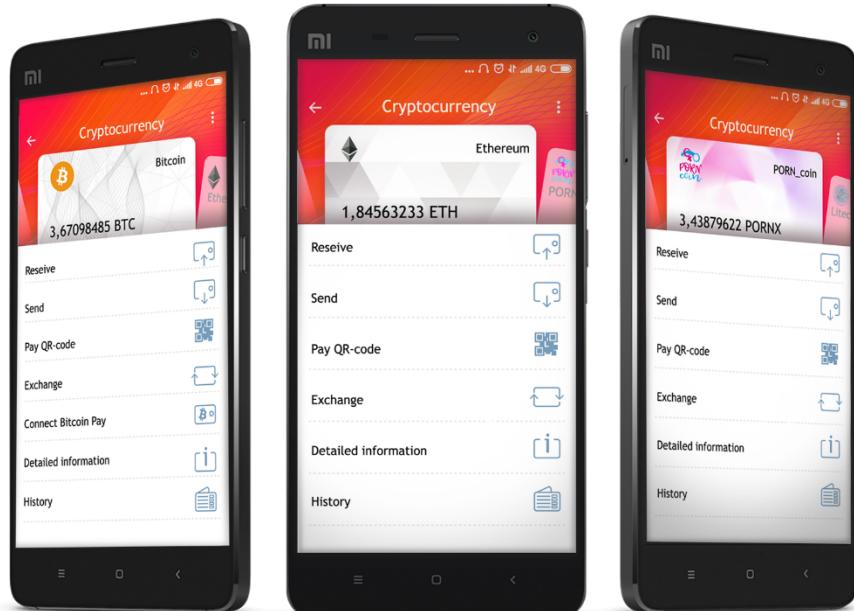
2.4 Classical sending/receiving of all coins that will be stored in your wallet

2.5 Payment for goods and services on the Internet with the possibility of payment via QR code

2.6 Transaction history (payment amount, date, transaction type - receipt, sending, payment)

2.7 The mobile application will be available in 10 languages: English, Japanese, Chinese, Korean, German, French, Spanish, Portuguese, Hindi, Arabic.

2.8 Technical support in 5 languages: English, Japanese, Chinese, Korean, Arabic.



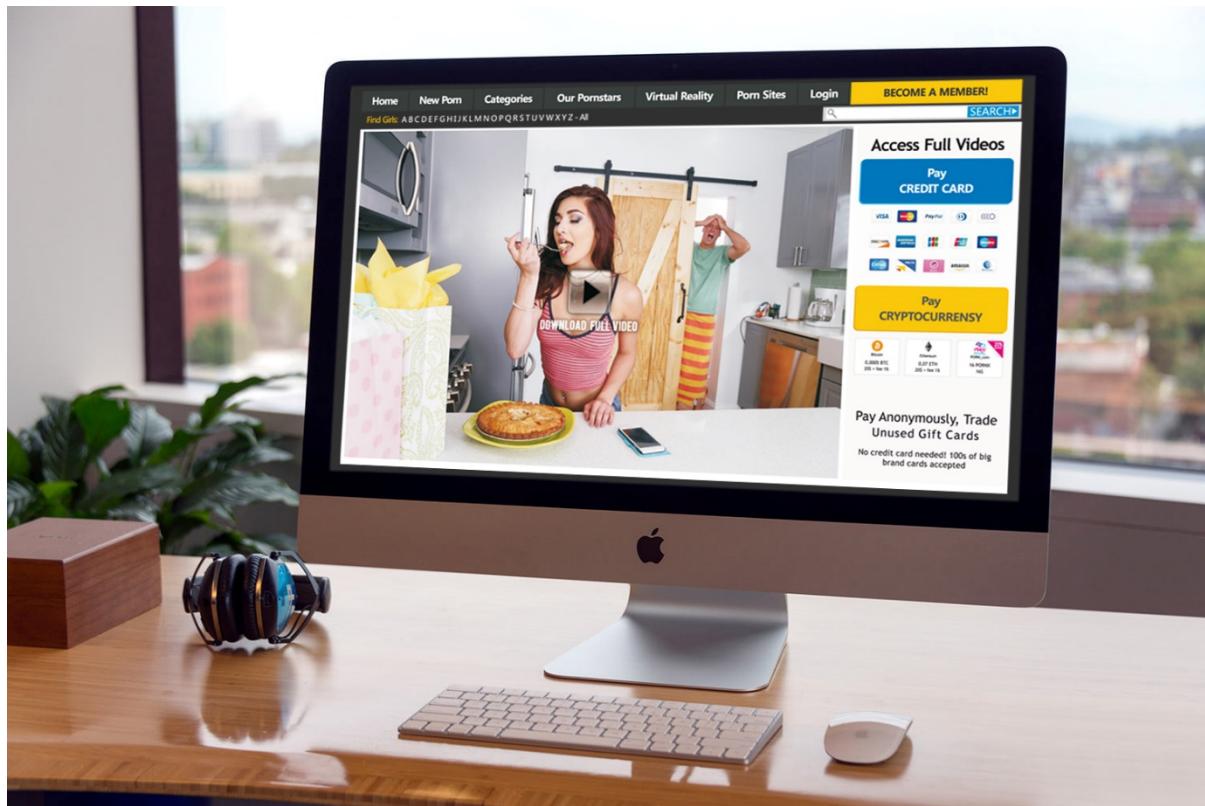
3. X-Q Pay payment system

The X-Q Pay payment system will be designed for the Lightning Network.

The essence of X-Q Pay on the basis of Lightning Network will be described below.

Besides the technical features description, we also would want to show the payment interface.

In cooperation with partners and the owners of porn sites - we created a prototype of the future X-Q Pay service and how it will look for users.



The user visits the site and finds the content of interest to him. Then press the convenient subscription button. For example, this is the "7 Day Trial Subscription".

Goes to payment choices - it can be a credit card and a cryptocurrency.

Clicks on the buttonhole "Pay Cryptocurrency" to pay for the subscription.

When you click the "Pay Cryptocurrency" button, the X-Q Pay payment system starts to work and gets closely integrated into the site. This page goes to the protected HTTPS channel.



The payment window displays the QR code for payment, the purse number for payment, and the amount of the transaction.

After making payments through the mobile application X-Wall Wallet or any other mobile partner application, the user receives full access to the site and all paid content for the duration of the subscription, "7 Day" in this case.

But this is not the only use of the X-Q Pay payment system. Such a technical solution can be used - on any sites where there is online payment for purchases. The cryptocurrency is a huge trend of the economy all over the world, and it is progressing only.

Now proceed to the technical description of the payment system X-Q Pay, for understanding the algorithms of work, the questions of anonymity and the speed of transactions.

TECHNICAL UNIT SOLUTION

Lightning Network is an of two-way payment channels network that allows you to make many transactions without writing each of them to the blockchain, i.e., to exchange cryptocurrency outside the lock-up. The network is distributed and decentralized. It built on the mesh-network principle. This eliminates the problem of censoring transactions and violating the privacy of users and also helps to avoid the existence of a single point of failure.

One of the defining features of the Lightning Network is the ability to send currency to any member of the network through a chain of payment channels open between users by building a route from the receiver to the sender. censoring transactions and violating the privacy of users, and also avoiding the existence of a single point of failure.

FEATURES AND CHARACTERISTICS OF LIGHTNING NETWORK AND COMPARISONS WITH OTHER PAYMENT SYSTEMS

Payment system based on what will be based company X-Q Pay

Before plunging into the technical details of the concept, I propose to consider several similar systems and compare them among themselves is to understand what to expect exactly from technology in the future.

To search for analogies and identify similarities and differences between them, you need:

To denote the interface - to reveal, what functions the Lightning Network possesses.

Find analogs - similar in the Lightning Network interface.

Select comparison properties - indicate a set of properties by which we are going to identify similarities and differences.

Make a comparison.

Denotation for the interface: Let's consider the Lightning Network as a payment system. In this case, the interface will be:

- 1.the ability to accept payments;
- 2.the ability to send payments;
- 3.the ability to create accounts.

Find analogs: Among the systems that can be suitable for a given interface, you can select bitcoin, PayPal, banking system, and others.

properties:

Denotation for features.

Let's select the comparison of the properties that may interest us:

Openness is a feature in which third-party systems can join the process of processing transactions and getting commissions for it. This feature makes the system resistant to external aggressors. We do not kill the entire system by removing the node that processes transactions. In this case, a node means servers controlled by one organization.

0: No property: stopping the transaction processing node leads to the impossibility of using the system by users.

1: Medium openness: stopping the transaction processing node leads to the impossibility of using the system by some subset of users.

2: Strong openness: only stopping of all transaction processing nodes can lead to the impossibility of using the system by users.

Decentralization is a feature in which network availability and final decision making on changing balances do not depend on the central element.

0: No property.

1: The presence of a property.

Anonymity is the degree of difficulty in obtaining information about the sender and payee.

0: No anonymity.

1: Weak anonymity - anonymity is lost at the government agencies request.

2: Average anonymity (pseudo-anonymity) - transactions are visible to everyone, but there is no identity between the account and the user.

3: Strong anonymity - the sender and receiver are not known, transactions are closed.

Speed (determine the speed on a scale of 0 to 9) is a degree reflecting the behavior of the system in terms of its throughput, as well as the processing speed as a border, and intra-state transactions.

Redundancy (we define redundancy on a scale from 0 to 9) is the degree of the number data or other resources that you have to use to keep the system operative condition.

This property has an inertial effect, in other words, it begins to influence the final user by additional costs (commission) after a time.

Acceptance (define adoption on a scale of 0 to 9) is the degree of use the system at the moment.

Bitcoin

- 2-Transparency
- 1-Decentralization
- 2-Anonymity
- 1-Speed
- 9-Redundancy
- 3-Adoption

Bitcoin has such properties as openness and decentralization because of use of new type of database (a blockchain system), in which the of new data input is distributed among a multitude of participants and the final decision on changing the database does not depend on the central server. At the same time, the blockchain carries a huge redundancy, and the mechanism for the adoption of a consensus slows down the system.

PayPal

- 0-Transparency
- 0-Decentralization
- 1-Anonymity
- 9-Speed
- 2-Redundancy
- 8 - Adoption

The PayPal system is based on the technologies we are familiar with. It does not involve openness and decentralization, which makes it possible to limit this system on the territories of different countries. At the same time, this system is very fast, because processing of transactions is a single system.

Processing system of the bank

- 0-Transparency
- 0-Decentralization
- 1-Anonymity
- 7-Speed
- 2-Redundancy
- 8-Acceptance
- Lightning Network
- 1-Openness
- 1-Decentralization
- 3-Anonymity
- 6-Speed
- 3-Redundancy
- 0-Acceptance

It's more appropriate to let the reader prioritize the decision of which system is better or worse because it should be adopted depending on the context.

Lightning Network uses the lock of cryptocurrency that it operates with, but the properties of openness and decentralization are achieved by other mechanisms.

It is also clear that Lightning Network falls behind in openness to bitcoin and other cryptocurrency systems due to the internal network structure. Further, we will consider the question of how the listed properties of the Lightning Network are achieved, and also the cons of the concept.

LIGHTNING NETWORK DESCRIPTION

Lightning Network is a peer-to-peer payment network for conducting microtransactions, supporting such cryptocurrencies as Bitcoin, Ethereum, Litecoin, as well as coins created on the basis of Ethereum. The task of this network is to accelerate the cryptocurrency payments without delegation of possession of money to a third party, and different cryptocurrency into a single network with boundary points in the form of decentralized exchanges. Two elements of any peer-to-peer network are the node and the connection. For example, mobile application /desktop program/server software that supports Lightning communication protocol can be understood as a node in the Lightning Network.

One such example is the Go implementation.

Connection in the Lightning Network is the payment channel - the ratio between the participants, which is registered in the detachment and is regulated by the smart-contract.

Each node has the ability to accept and send payments, as well it acts as a payment conductor, receiving a commission for this. It is possible to send payment from one network member to another only if there is a path which consists of payment channels connecting the receiver and the sender.

The possibility of taking a commission for making a payment, in the network stimulates the creation of nodes that connect many other users. As such nodes may act as exchanges and online wallets, in the future, as well as other organizations that will build their services on the basis of this technology.

The difference of Lightning Network from such networks as Visa and MasterCard is that anyone can join it. This feature of "Openness" is achieved through the use of smart contracts. Also, it worth to take into consideration the fact that in Algorithms similar to the Tor network, so the recipient and the sender of payment is unknown to the hosts. The way of how these features are achieved is described further, in the technical part of the Lightning Network description.

Lightning Network has passed several stages of development, within two years :

1. The creation of the concept, sponsored by Joseph Poon and Tadge Dryja.
2. Development of initial implementations by Lightning Labs, Blockstream, ACINQ based on the presented concept.
3. Development of a specification that provides a detailed description of the protocol interaction between nodes.
4. Bringing customers in line with the developed specification.

At the moment clients of various implementations are tested for compliance with the specification, which allows them to communicate with each other, and networks - not to break up into pieces when starting.

Nearest development:

Association of exchanges

The combination of crypto-exchanges into a single Lightning Network leads to a possibility of fast bitcoin payments between them with a lowered commission, which in turn leads to:

1. Increase in the activity of exchange speculators due to the possibility of earning at arbitration.
2. Increase in the volume of trades and equalize the exchange rate due to the increased activity of exchange speculators.

It is important that exchanges do not need to trust each other since mechanics payment channels are built on the use of smart contracts.

The next step in such a transition will be installing the Lightning Network users in the form of mobile and desktop applications, which will allow them to keep money on the exchange, and transfer them there if it is necessary to exchange cryptocurrencies. Thus the obligation to store private keys will be removed from the stock exchanges, which in turn will reduce the likelihood of hacking.

Pooling of wallets

At the moment, if you have an account on one of the online purses you can notice that sending bitcoin from one user to another inside the system does not take 10 minutes. This is due to the fact that online wallets have built processing systems. Those systems allow them not to affect the blockchain when transferring money. It has been done for several reasons:

1. Reduced commission for users. Transferring money inside the online wallet doesn't need to pay a commission for this, especially if the online wallet partially repays the commission.

2. Notification for online resources. Money must be received instantly by the online resource when paying for anything on the Internet using an online wallet. At the same time, if you want to transfer money from one online purse to another, it will be done through Bitcoin-transaction, and this is because there is no trust between online purses. Trust can be achieved by signing a contract and integrating processing systems, or you can use the Lightning Network and a payment channel that does not require trust. By joining the payment channel, the online wallets will connect their users, thereby allowing them to transfer money from one online purse to another without delay to write to the blockchain.

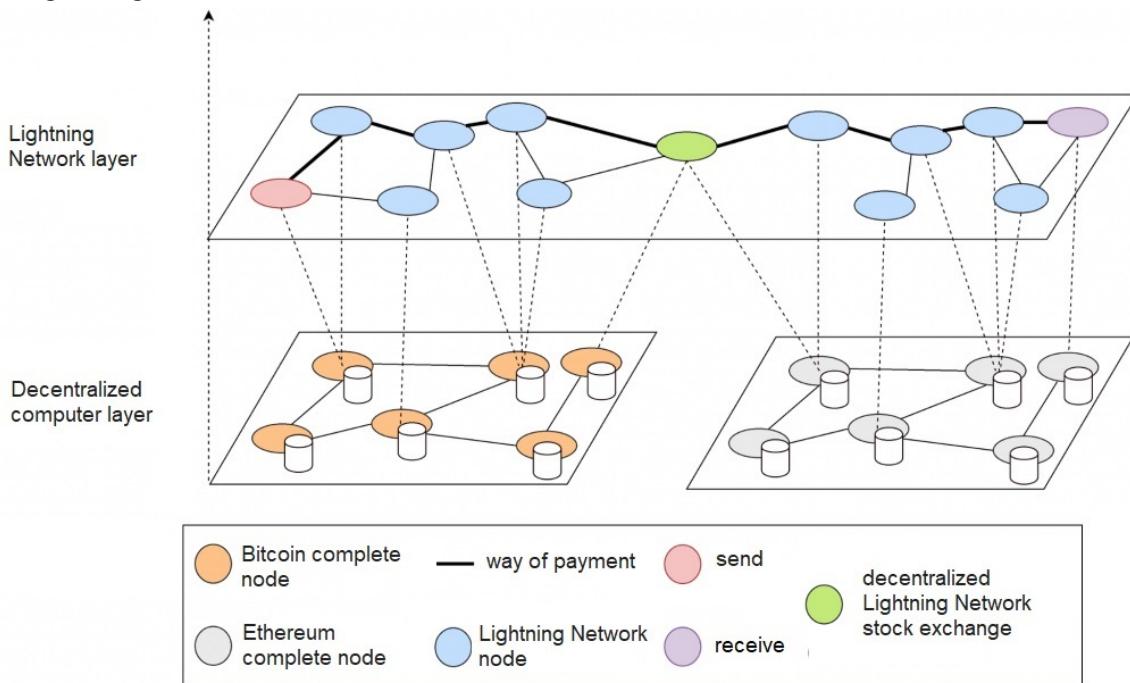
Sample applications

All the following examples are based on the possibility of creating a payment channel using the Lightning Network technology, and not on the question of whether the industry really needs it. This question can be answered only by those who have been working in this or that sphere for a long time and know it from the inside.

Decentralized exchanges

Perhaps one of the most anticipated applications over the Lightning Network is the decentralized exchanges - nodes that connect networks of different cryptocurrencies. To implement the Lightning Network, you need such elements as multisig, time-lock, htlc. We will expand these concepts further, in the technical part. Importantly, these basic elements exist in all smart-contract systems of cryptocurrency, and as a result, the Lightning Network can be built on top of different cryptocurrencies and connect them together.

The speed of decentralized exchanges will be comparable to their centralized analogs. One of the disadvantages is that it can only operate with cryptocurrencies, over which the Lightning Network is built.



Browser wallet

Currently, the service/goods in the bitcoin network is paid through widgets online purses. In order to pay for anything with bitcoin, you need be registered on the online wallet site. Every online wallet provides access only to a subset of online stores that registered in their system. Online wallets will provide access to more online stores that accept payment in the cryptocurrency when they are connected in one online **Lightning Network**.

Also, due to integration with the Lightning Network, if desired, there will be an opportunity to make payment locally from the computer, for example through a built-in wallet of the browser. This means that users will not have to worry about the loss of their funds, due to the closure or hacking of the service because access to money can be stored locally.

Also for the purse with Lightning Network, the built-in browser will open such opportunity, like streaming content. Supposable, instead of paying the subscription to Netflix, you can pay for the movie every minute. In addition, possibility to register access to pay the content of the site.

Use in online games

Use of Microtransactions in online games are an integral part of any MMORPG game. Embedding the client Lightning Network in the gaming client, in the game you can make transactions using bitcoin. To some extent, this was done on this video. It is clear only one thing, soon it will be possible to operate with real tokens in VR.

Banking channels

Since there are three basic elements needed to implement the channel, due to developing a banking system of smart contracts over an ordinary database it is possible to create channels in which we operate with an electronic coin or dollar. Unlike cryptocurrency channels, in this case, the guarantor of the execution of a smart contract will not be a small community, but an internal processing system bank. Thus, it will be possible to create decentralized exchanges, which operate not only with cryptocurrencies.

TECHNICAL DESCRIPTION OF THE LIGHTNING NETWORK CONCEPT

Smart contract

Initially, we will try to understand why bitcoins called programmable money. The device for storing money in bitcoin differs from the usual understanding we have: there are no accounts or numbers corresponding to the balance tied to them. Instead, every time you transfer money to someone, you block them by the program, which is called a smart contract. In order to use the money, the recipient must provide the program with input that will lead to the positive result of its implementation.

Storage of smart contracts is made in the blockchain, the execution of smart-contracts are carried out by miners, not by single one, but by all at once. If the miner tries to deceive the system, it will throw it out of the emission cycle and it will lose profit.

Such a cryptocurrency as Ethereum transferred the system of smart contracts to a completely different level, which allowed to think of cryptocurrencies as the decentralized computers in which the block is used as a repository of programs, and the miner community acts as a processing layer.

In the simplest case, the electronic signature is the input for unlocking money, which is generated by a cryptocurrency purse by using your private key. In case if you lose them, you will not be able to generate an electronic signature and get access to your money: that's why the storing of private and public keys is so important.

Next, we will use the analogy of safes: every time someone transfers your money, he/she creates a virtual safe deposit box in which he/she puts the specified amount and blocks it in such a way that only the recipient can open this safe. Safe is a depository for money, and a smart contract is its programmable lock, which requires a password that is only available to the recipient.

In the usual case, a smart contract is generated by your cryptocurrency purse. If you know how to write a smart contract yourself, then it can take many forms.

Suppose you can block money in such a way that you can only open the safe and only those who provide a response to the $2 + 2$ expression will be able to pick them up.

The Lightning Network uses several types of smart contracts, or rather their mixture:

2 × 2 multisig is a smart contract that opens when two people give an electronic signature. As a rule, these are the same people who provided money.

hash time lock contract (htlc) is a smart contract that unlocks money if a secret number x is provided, which is originally only found in the creator of the smart contract. The transfer of the number x to someone else essentially means the transfer of money. It is important that since transactions are transmitted in plain text, the number x will be visible to everyone, so instead of the number x in the smart contract write $h = H(x)$, where H is a hash function. We will come back to an explanation of this smart contract, a little later.

time-lock is a smart contract that blocks money before the time specified in it. You can connect different types of smart contracts with each other, and achieve interesting behavior, for example, you can lock money up to 2018, and then require an electronic signature to unlock and solve a simple quadratic equation.

Sending a transaction

When you want to spend money, a cryptocurrency wallet scans the blockchain/database for your own safes and generates proof of possession of these safes (segregated witness). Next, he takes the address you provided for sending and generates a smart contract that will block your money in the new safe, and this safe can only be opened by the recipient.

The above data is combined into one structure - a transaction - and sent to the network of miners.

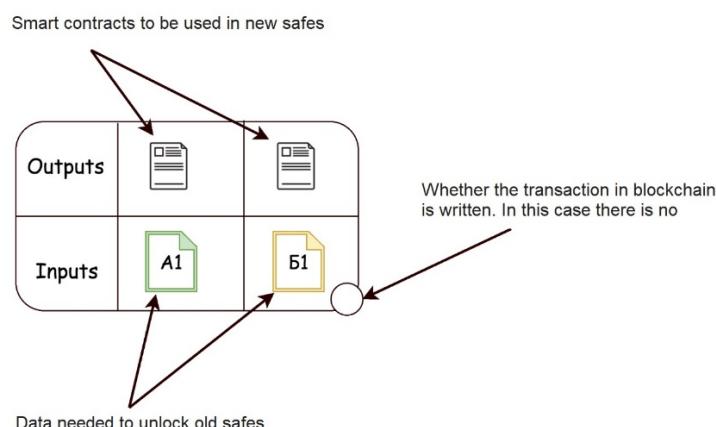


Figure 1: Bitcoin-transaction structure

When the transaction is received, the miner takes evidence that you own safes, where you want to make money. After that, he launches smart safes contracts. If the smart contract returned a positive result, then the money can be used. Next, he takes the smart contract received in the transaction and creates a new safe. After the transaction

has got into the blockchain, the new safe can be considered created, and the funds from the safe, from where the money was taken, spent.

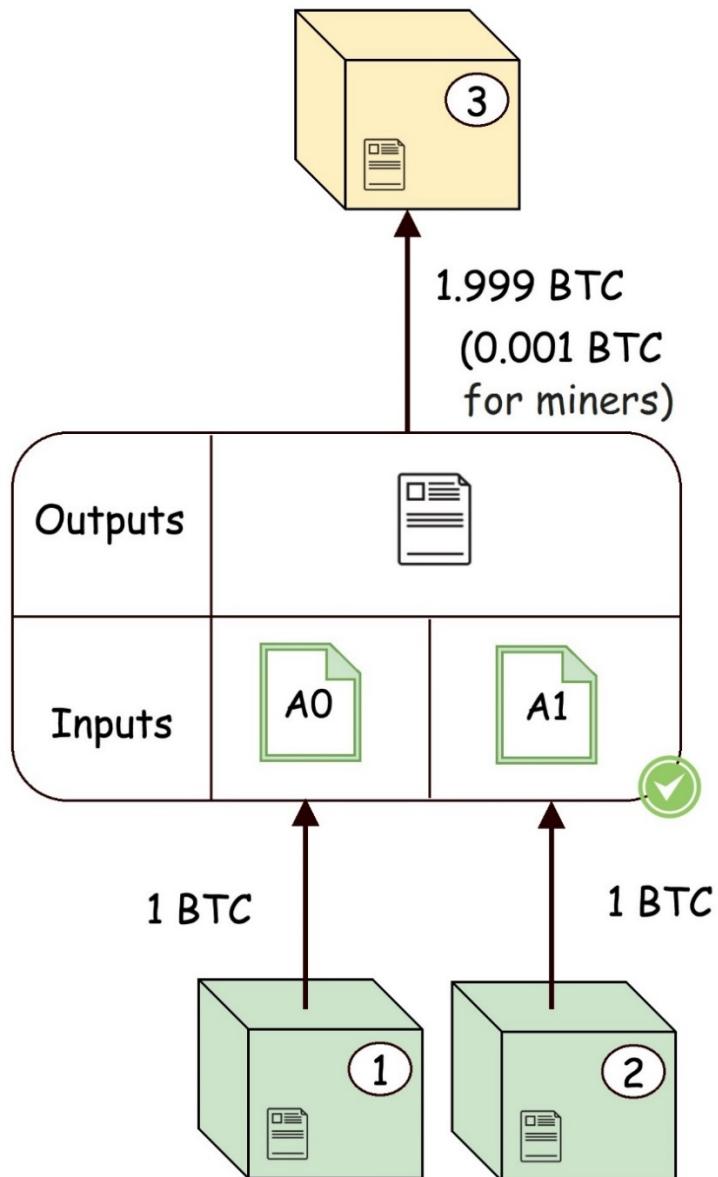


Figure 2: Sending money from Alice to Bob.

THE PAYMENT CHANNEL AND THE DEVELOPMENT OF SMART CONTRACTS

A payment channel is a relationship between two users, fixed in a locker and regulated by a smart contract, which allows you to exchange money between two participants in a fast format without using a blockchain.

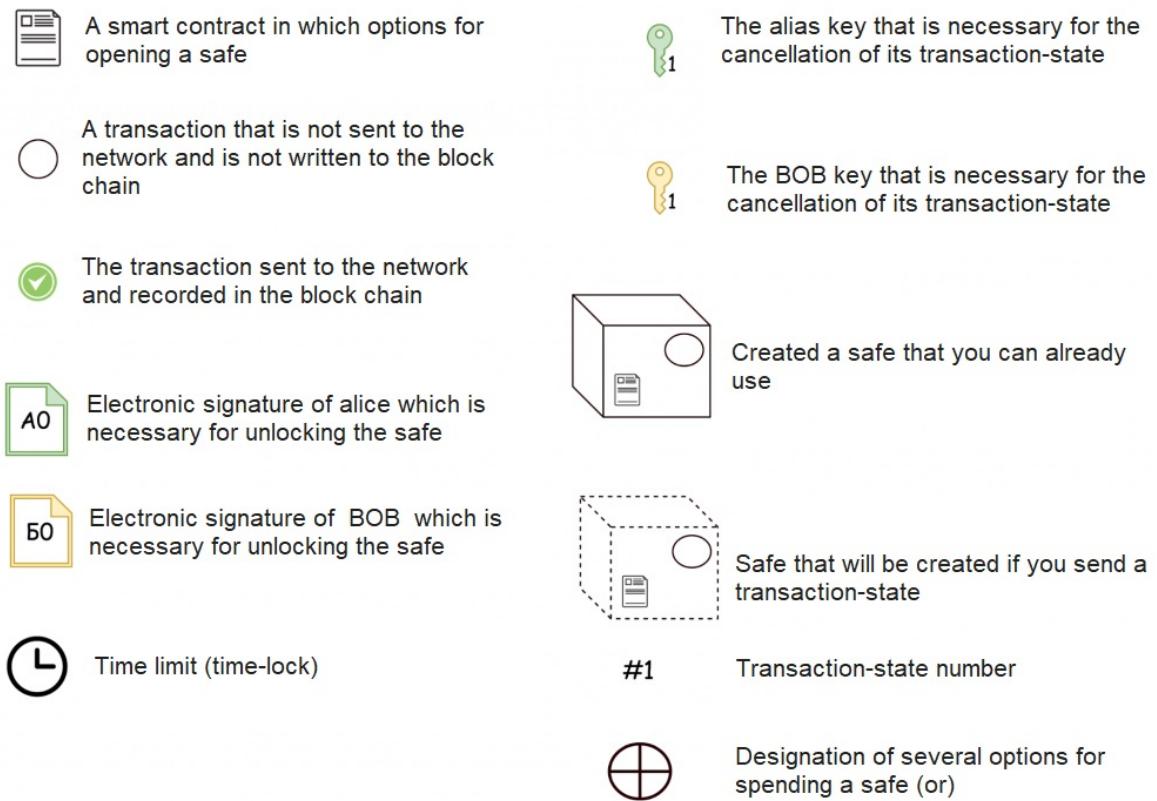


Figure # 1: Description of the symbols used in the diagrams

There are three processes that are related to the operation of the payment channel:

1. Opening the channel:

the process of registration of the payment channel in the blockchain, as well as the formation of the initial state.

2. Channel Usage:

the process of using the system of smart contracts for making payments outside the off-chain.

3. Closing the channel:

the process of registration of the final state of user balances in the backroom.

Opening and Closing a Channel

In order to open the channel, Alice and Bob must:

1. Lock their money in a common safe (multisig) by creating and sending a funding transaction to the network.
2. Generate the transaction (commitment transaction), which reflects the current state and distributes money from the general safe in the original proportion.
3. Save the generated transaction on both sides, and not to send this transaction to the network for processing by the miners.

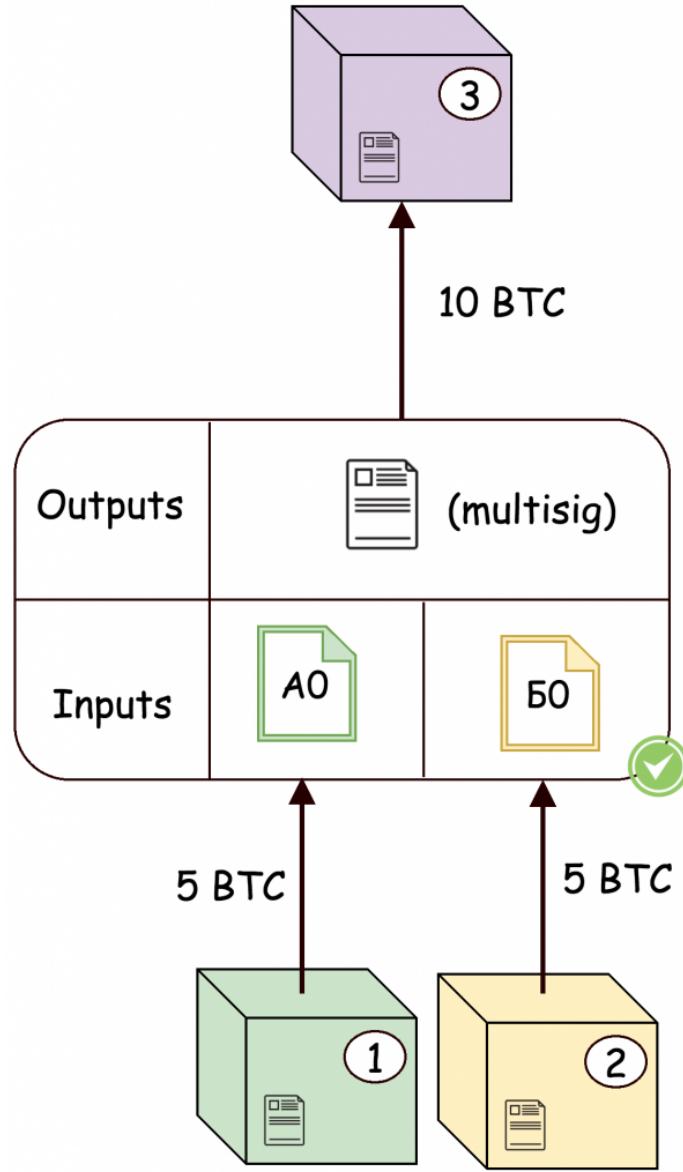


Figure # 2: Creating a common safe, through the use of a multisig smart contract

Let's call a transaction that spends money on the general safe, as a transaction-state. Alice and Bob can return their money from the general safe by this transaction. In some manner, the transaction-state is a contract between two participants, which can be executed by them at any time by sending it to the network of miners.

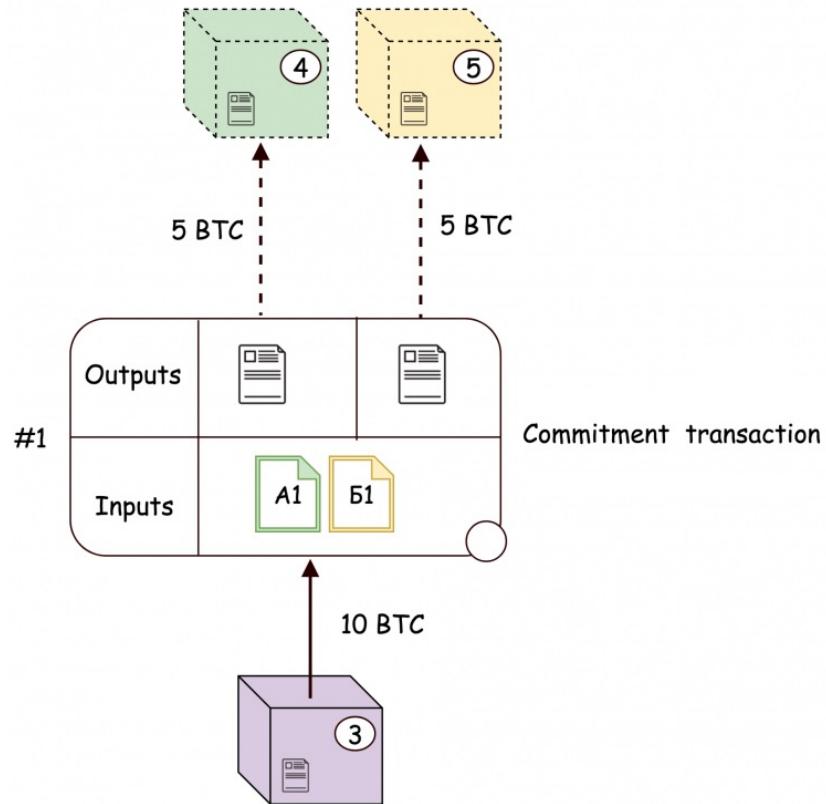


Figure 3: Formation of the initial transaction-state

Sending transaction-state to the network and sharing money from the general safe is equal to the closing of the channel. In this case, if we do this, then we will divide the money from the general safe in the original proportion.

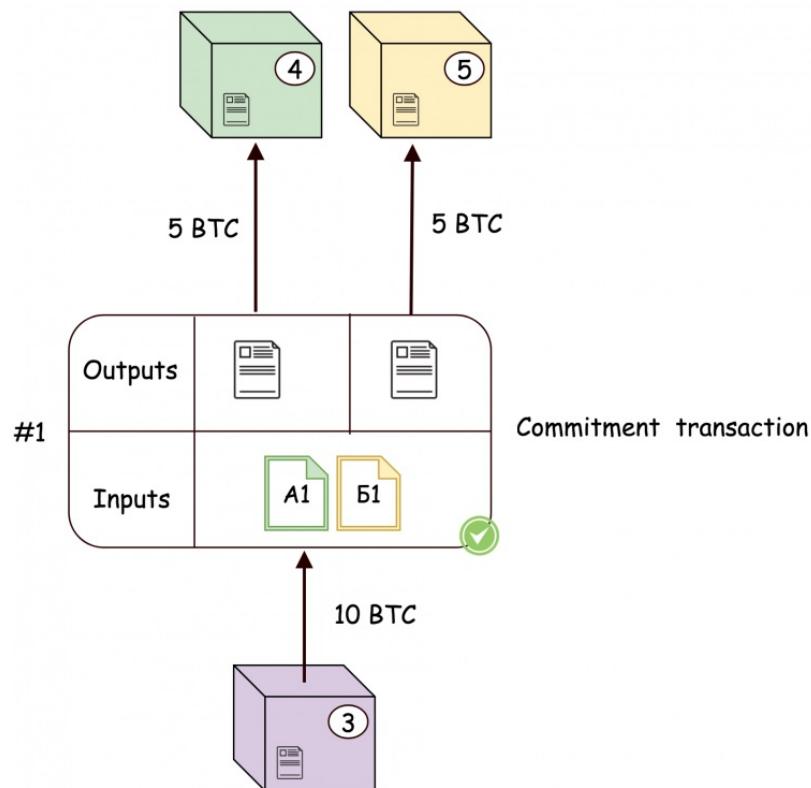


Figure # 4: Closing a channel by sending a transaction-state to the network of miners
As it was mentioned earlier, the transaction-state stores the smart contracts for each of the safes in which the principle of prescriptions of their further unlocking is stored.
In this case, safe at number three can open Alice, at number four - Bob.

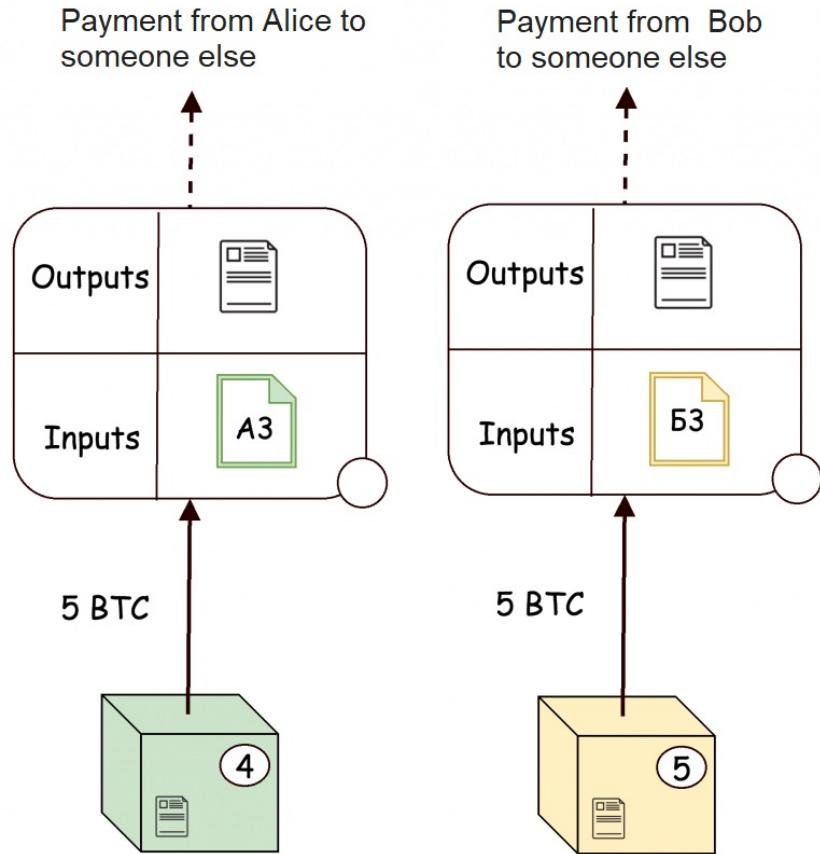


Figure # 5: Alice and Bob's safe-deposit option, prescribed in the smart transaction of the transaction-state

It is important to mention, that due to the fact that we use a common multisig, for the generation of a new transaction-state, electronic signatures of both parties are required, therefore neither side can generate a new state without the knowledge of the other party.

The process of generating the generally safe and the initial transaction-state takes at least 10 minutes and is called opening a channel. Sending transaction-state to the network and dividing the money in the designated proportion is called closing the channel and takes 10 minutes as well. Let's try to understand how this structure allows you to make payments without the use of blockchain.

Use of a channel

Define the payment as a process of canceling the old transaction-state and creating a new one, in which from the general safe one of the participants will get more, in comparison with the previous state, the amount of money.

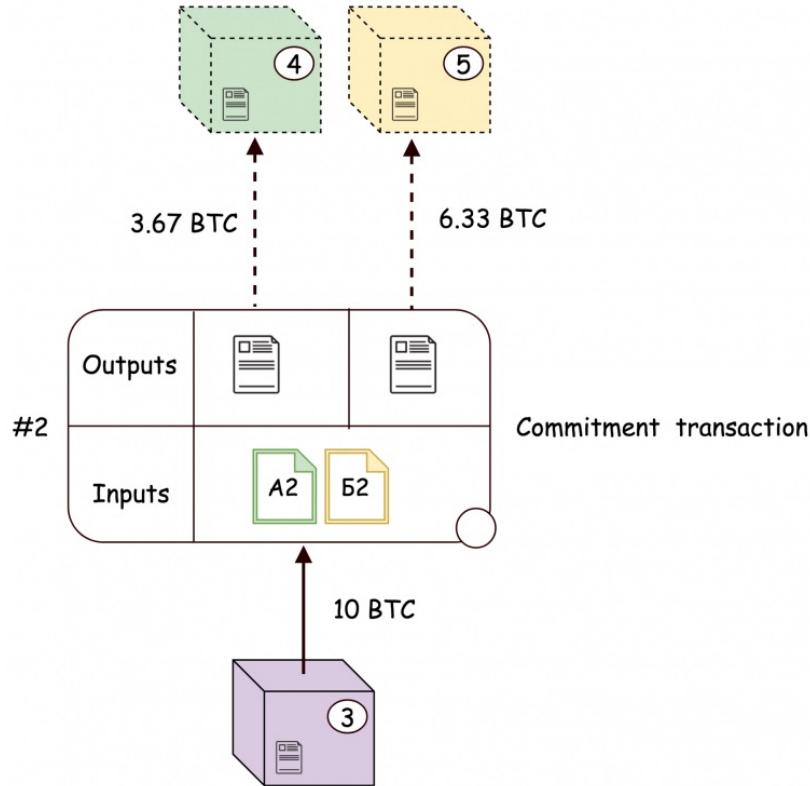


Figure # 6: Conducting a payment from Alice to Bob for the amount of 1.33 BTC by changing the transaction-state

The process of transition from the old state to the new one takes a split second since it does not require recording in the blockchain room and is limited only by the speed of the Internet connection between the nodes. That's how the speed is achieved in the concept of Lightning Network.

The downside of this concept is that the maximum amount that can be transferred to the other party can not exceed the amount of money blocked in the general safe. This restriction can be partially reduced by enlarging the safe and rebalancing the channels.

After the interaction between the participants is over, they send the final transaction-state to the network and close the channel, thereby getting the money back, but in a different proportion.

Example: Let's say you want to sell 10 BTC on the exchange, but there are some requirements:

1. You do not want to keep money on the exchange.

2. You want, when the time comes X, you can quickly transfer money to the exchange and make an exchange.

To do this, you need to create a channel with the exchange, in which you invest 10 BTC. You can not worry if you have an initial transaction-state, you can pick them up. When the time of sale comes, you make a change of state and assign 1 BTC to the exchange. The exchange sees that in the new state it has 1 BTC, now it can give you the right to buy another asset. When you have made enough transactions on the

exchange, you close the channel and the exchange gets from the general safe the amount of money transferred by you.

Figure №5 shows a very simplified scheme for obtaining money, it does not contain a mechanism for annulling the state. Let's proceed to the explanation of the process of canceling the transaction-state and introduction of additional mechanisms into the smart contract.

Cancellation of the state

Problem: for a given structure of a transaction-state a participant who has less money can send the old state to the network, thereby canceling his expenditure, in the transition to a new state.

The task: since we can not make sure that the other party removes the old transaction-state in the transition to a new one, we must make the sending of the old state economically unprofitable. This can be done by introducing a fine mechanism: if one of the parties sends the old state to the network, the other can take all of its money.

Change No. 1: let's make Bob discover the new Alice's safe (3). To open the safe Alice, Bob will have to provide his electronic signature, as well as an additional key, which initially owns only Alice. The same will be done with Bob's safe. In the transition to a new state, Alice and Bob are required to exchange keys, thereby canceling the previous state.

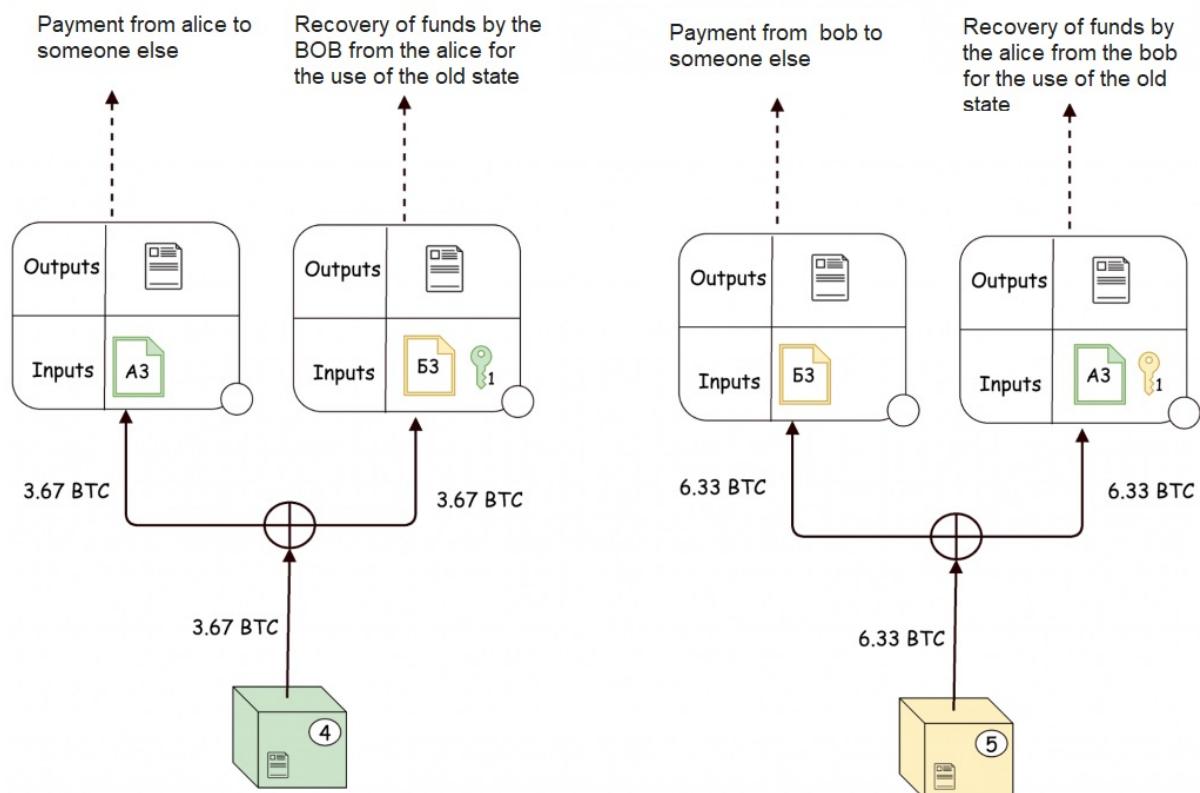


Figure # 7: Alice and Bob's Expense Expansion Scheme

Change number 2: at this stage, we made the situation worse: when switching to a new state, both sides will send the old state and take their own and other people's money, as they exchanged secret keys.

It is necessary to make sure that if Alice sends the old state, Bob can take her money, and vice versa. This can be achieved by storing different transaction states on the side of Alice and Bob.

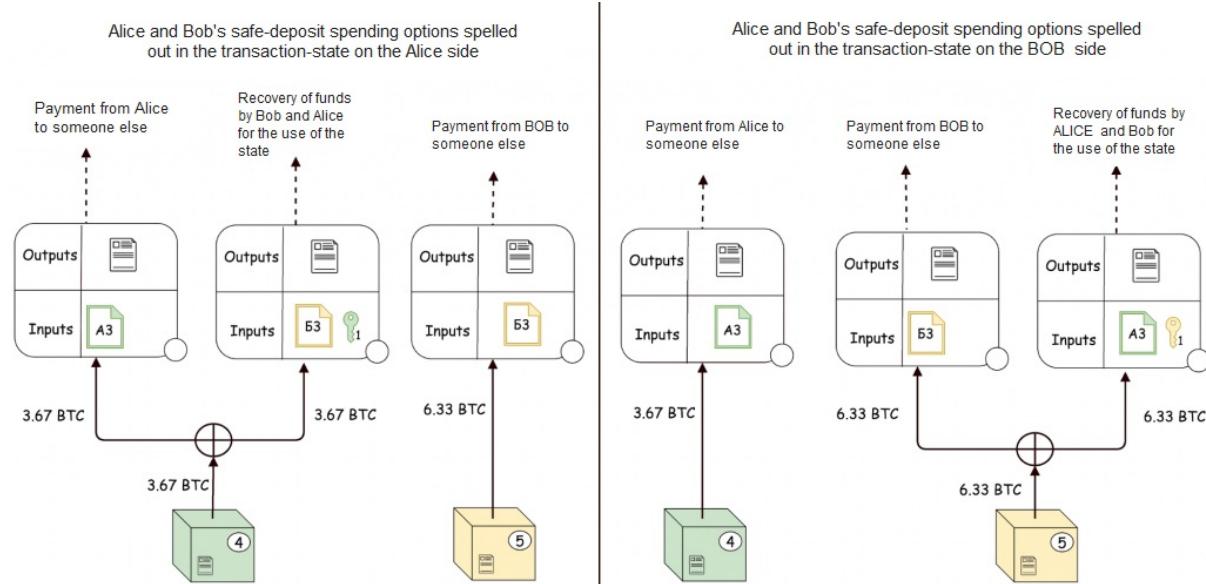


Figure # 8: Storage of various transaction-state on the side of Alice and Bob

If Alice sends her old state transaction, Bob will be able to pick up both his own and her money, since Alice gave the cancel key, the same is true for Bob. With this configuration, neither side has the motivation to send its old state to the network.

Change # 3: there is still one problem: one of the parties can take advantage of the fact that the other party is offline and send the old state, taking the money first. Therefore, you must enter a time-lock mechanism.

Let's make it so that if Alice sends her condition(status), she can withdraw her money not immediately, but after a while, and Bob will not have such a restriction. In this case, if Alice wants to take advantage of Bob's absence, then he will have a temporary handicap to fine Alice.

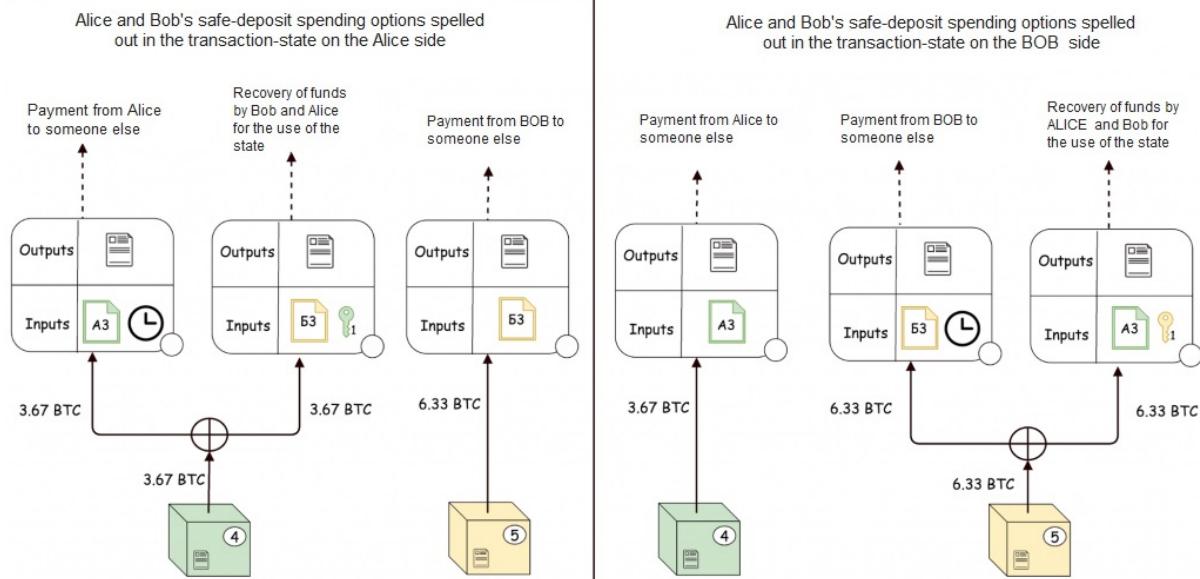


Figure #9: Transaction-state with time-lock mechanism

Cooperative closing

The problem is that the changes we made in the transaction state led to a new problem: if Alice and Bob want to close the channel cooperatively, then none of them will have the motivation to do it first, because in this case, for having a time-lock mechanism.

Solution: we divide the closing process into two types: forced and cooperative. At the moment, both parties store different state transactions that guarantee them that they can return the money that is stipulated, and also include the necessary mechanisms for their cancellation in case of transition to a new state.

All the mechanisms that we added for safe cancellation are needed only when moving to a new state. In the case of co-operative closure of the payment channel, the parties can generate a new state that reflects the same balances but doesn't contain any cancellation mechanisms. Generated cooperative transaction-state will be equivalent to the original version (Fig. 5). The process described above is called cooperative close.

If one of the parties went offline and there is no possibility to close the channel cooperatively, the other party can still get their money by sending the last transaction-state, but in this case, the money will be received after the time-lock period expires. Sending the last transaction-state to the network is called forced close.

THE SOLUTION TO THE PROBLEM OF SCALING

Explanation of the use of payment channels for building a payment network and solving the problem of scaling.

Just innovation in the payment channel is not enough to create a scalable network: if we build a channel between Alice and Bob, and Bob, in turn, builds a channel to Carol, we still can not transfer the payment from Alice to Carol via Bob,

because there is no mechanism, which would protect Alice from stealing money from Bob. In this case, for safe and fast transfer of money, participants will have to build channels to each other, which requires sending of two transactions to the network, which is no better than the standard sending of transactions. There is also no mechanism by which Alice could make sure that Carol did receive a payment.

We will supplement the payment channel with the htlc mechanism, which will solve both of the above problems. When we introduce this mechanism, any member of the network will be able to safely transfer the payment to any other participant through the nodes-conductors. The speed of this payment will be limited by the speed of the Internet connection, in addition, this payment does not need to be stored in the locker, which is the solution to the scaling problem.

Multi-hop payment

A payment that runs through several nodes in the Lightning Network concept is called a multi-hop payment. Let's briefly present the stages that occur when you pay through a third-party node:

Carol: Forming payment of the secret number x and calculating the number $h = H(x)$, where H is an irreversible hash function, that means that it is impossible to find the number x , having the number h .

Carol: Forming an invoice that contains the number h , as well as additional information about the amount of money transferred, the address of the recipient, etc.

Carol: Transfer of the invoice to the sender of the payment.

Alice: Forming an obligation to pay in the payment channel with Bob through the use of an htlc-smart contract.

Repeat step 4, until the recipient.

Carol: Returning the number x to Bob, removing the commitment and increasing Carol's balance.

Repeat step 6 to the sender.

Let Alice, Bob and Carol create payment channels among themselves

(Figure # 1). For the payment from Alice to Carol through Bob, it's not safe to use the previous technique, because Bob can not transfer money to Carol. For this reason, the transmission obligation is used in the form of an htlc-smart contract. In order to form a commitment, Alice needs the number h , which she receives from Carol.

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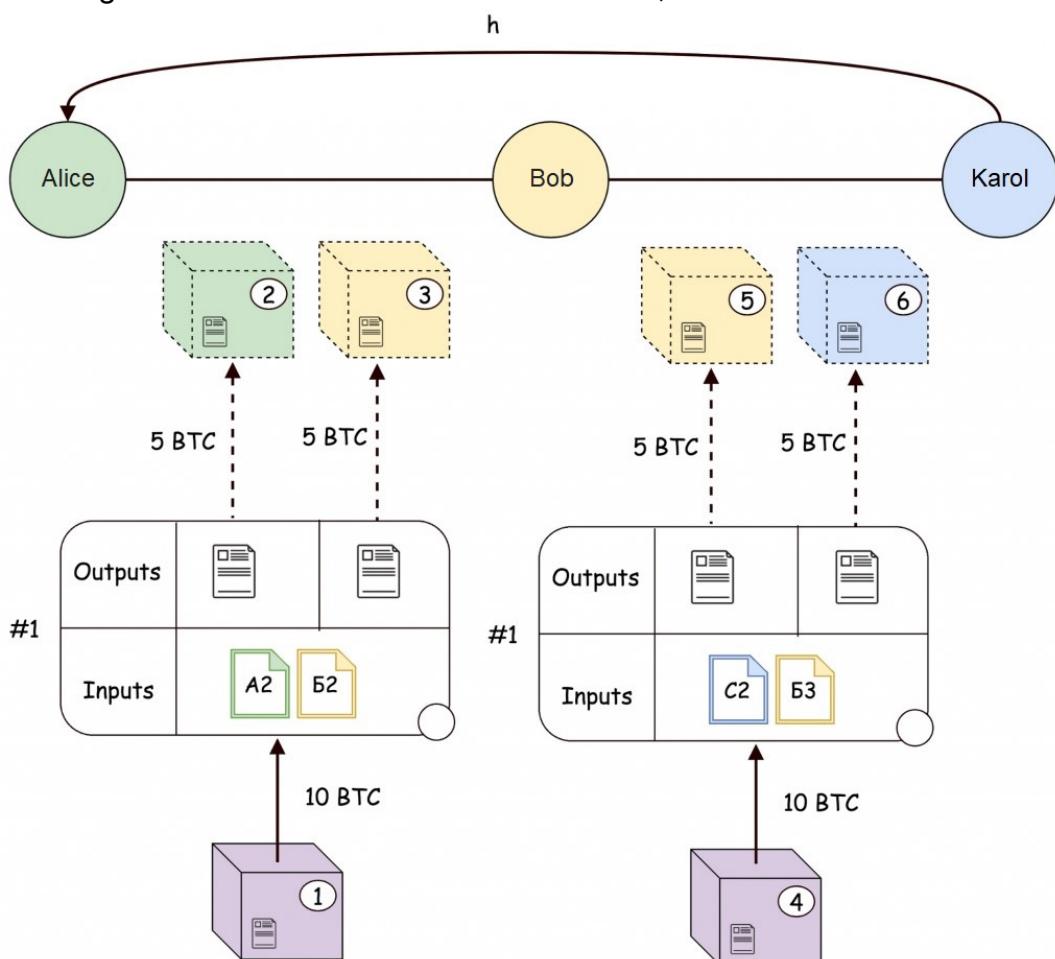


Figure 1: Transfer of the number h from Carol to Alice

After receiving the number h from Carol, Alice forms a separate htlc-safe (7) for Bob, into which she puts the payment amount (Figure # 2). In fact, Alice says: "Bob,

"I'll give you money only if you give me proof that you gave Carol money." Proof of transfer of payment is the number x, which has only Carol.

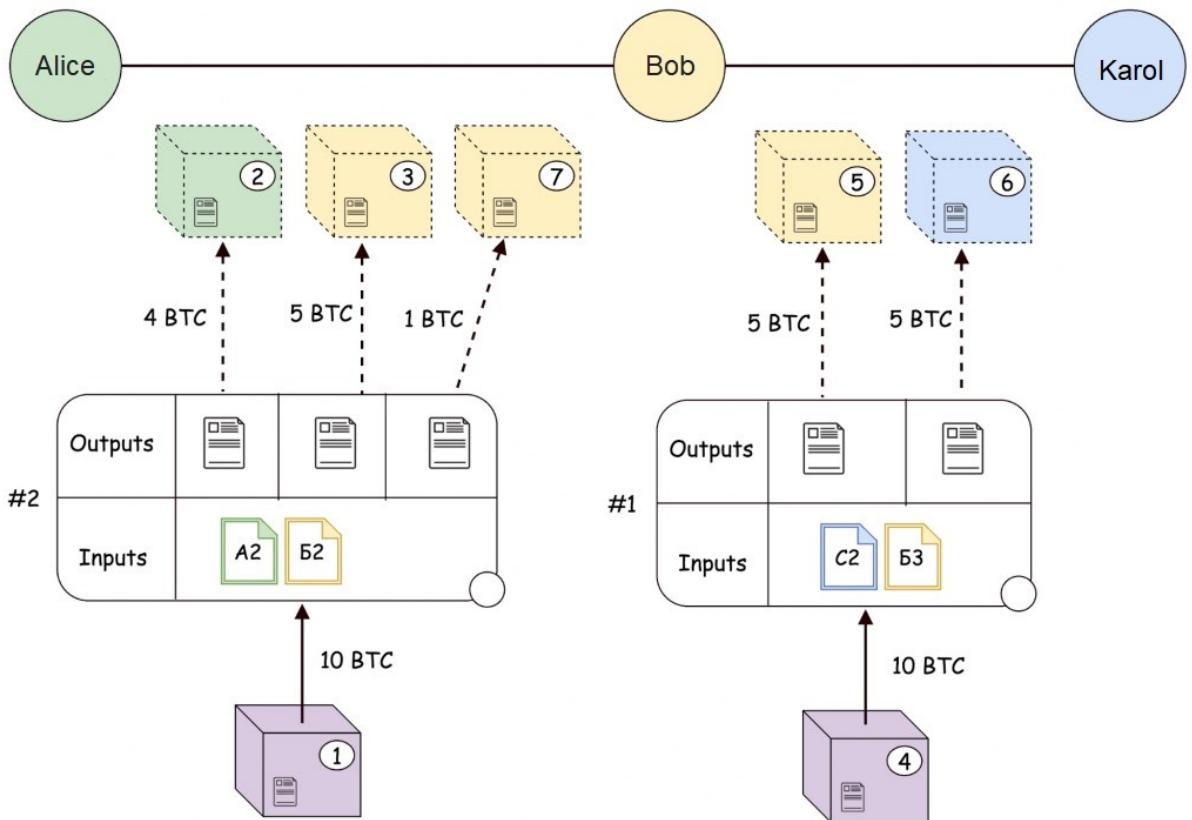


Figure №2: Forming an obligation to pay Bob if he provides a number x

You can take money from the htlc-safe (7) in several ways (Figure # 3):

1. Bob can get money if he gives a number x, the hash of which is h, which has only Carol .
2. Alice will be able to receive money back after a certain time if Bob refused to make a payment

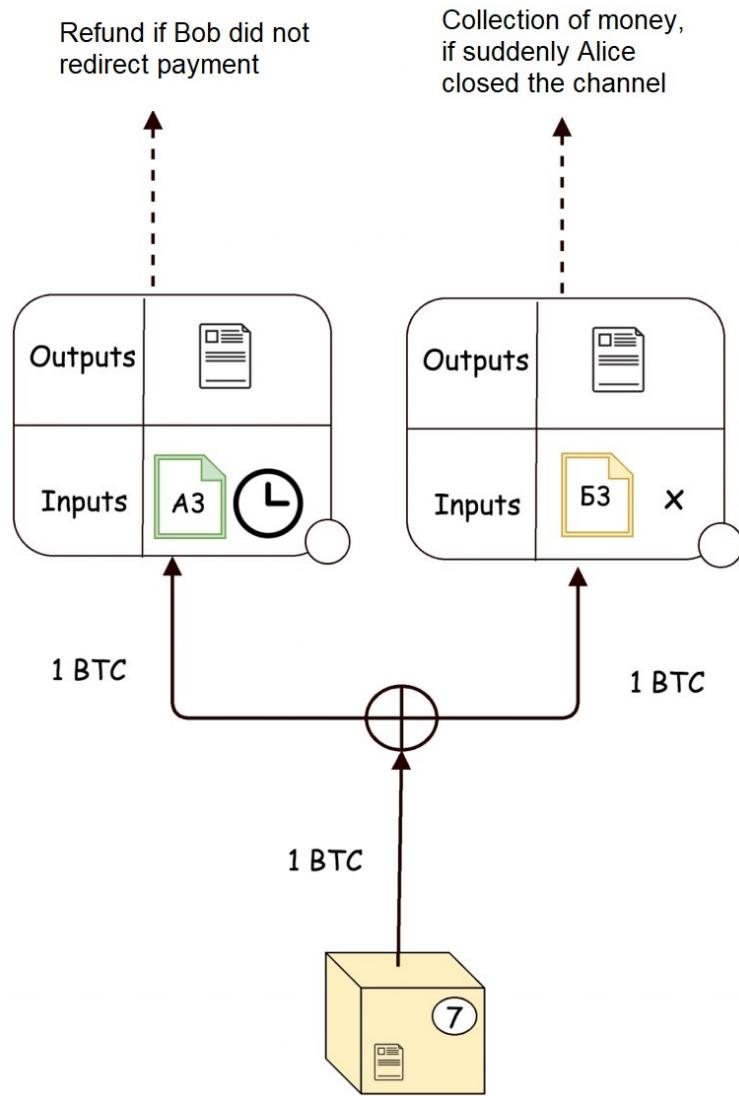


Figure # 3: Options for spending htlc-safe

In order to get money from Alice, Bob must get the number x. Carol will give the number x if she's sure that Bob gave her the money. To do this, Bob forms exactly the same obligation with Carol about payment, as Alice formed for him (Fig. 4).

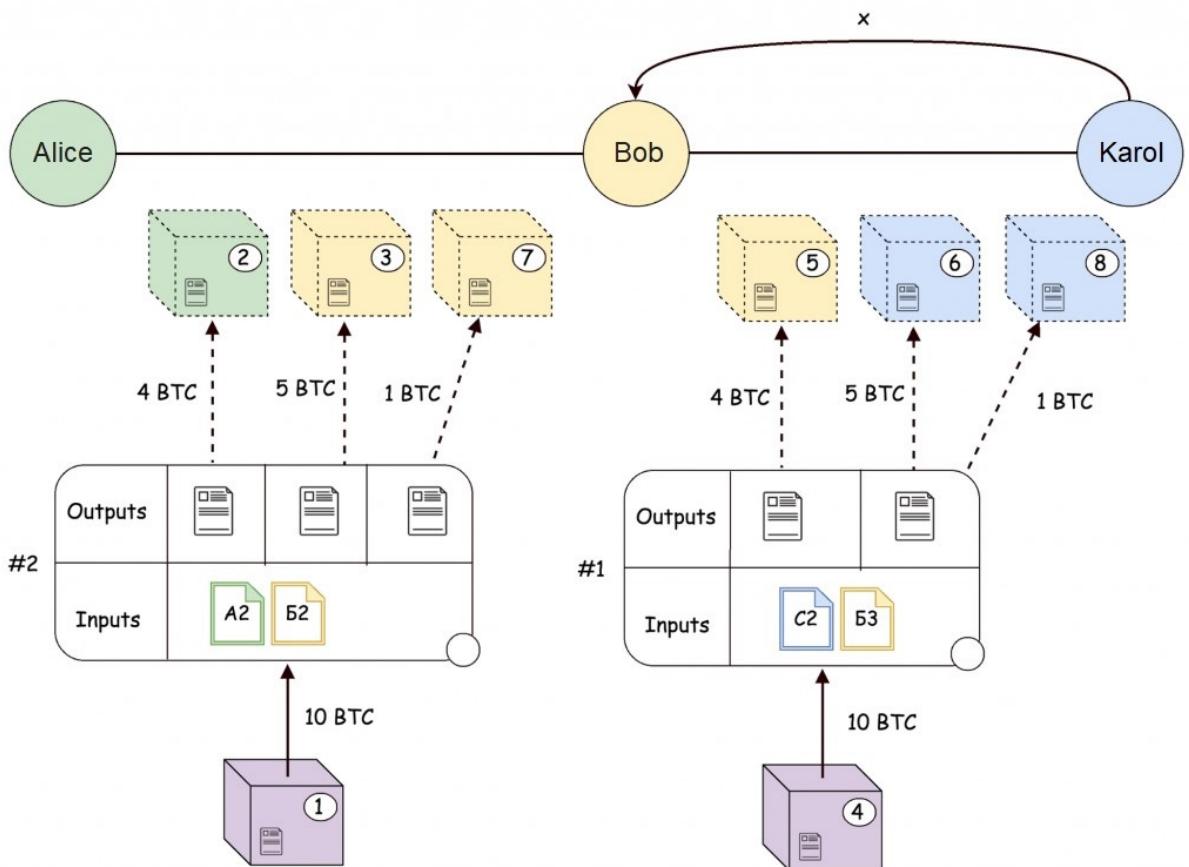


Figure # 4: Forming an obligation to pay between Bob and Carol

After Bob formed a commitment and Carol saw him, she gives away the secret number x (Figure # 4). When Bob gets a secret number, there's no need for a commitment between Bob and Carol anymore, because Bob can always get money from Alice if she suddenly closes the channel (this is written in their transaction-state, figure 2,3), so Bob and Carol remove the commitment, while increasing Carol's balance.

When Bob and Carol removed the commitment and updated the balances, Bob passes the number to Alice (Figure # 5). She sees the number x and understands that this number Bob could only get from Carol, so they can also remove the obligation and update the balances. This completes the payment process.

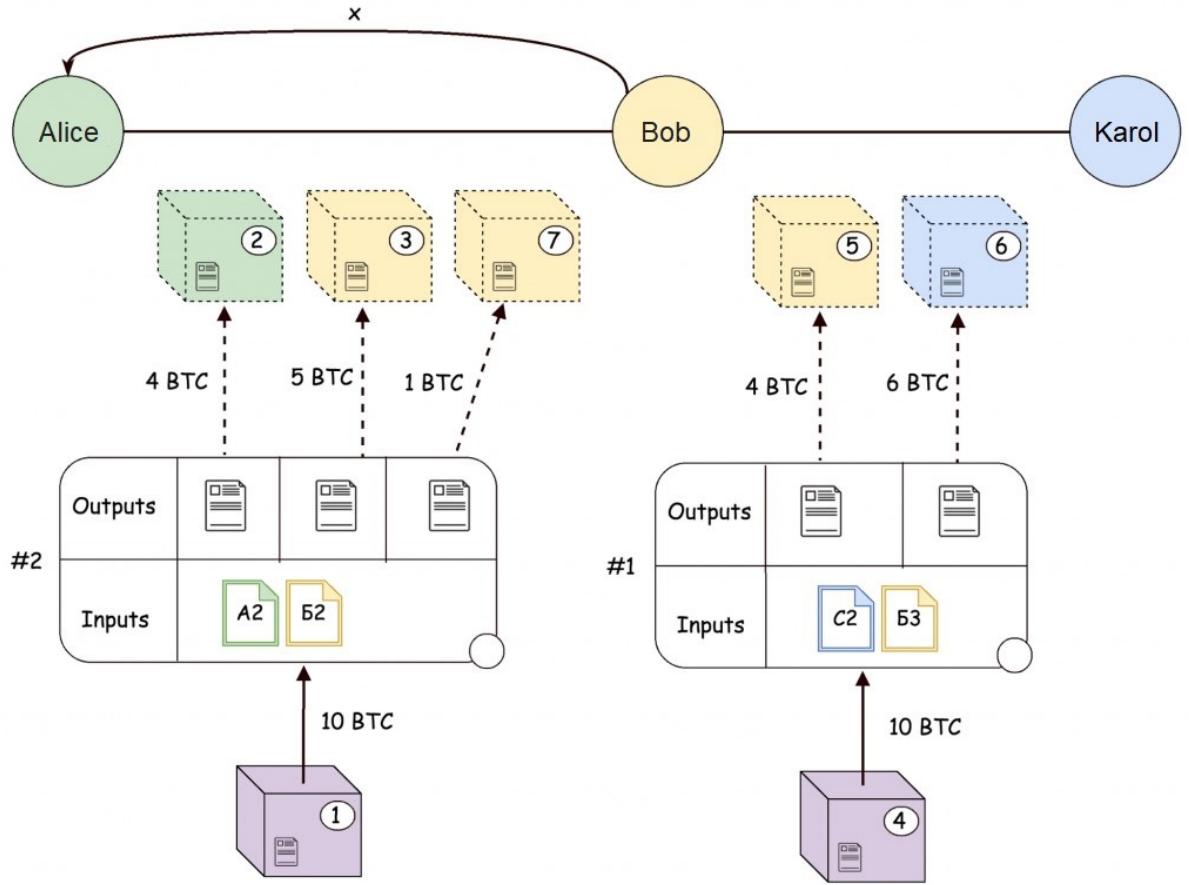


Figure # 5: Removing liabilities and increasing Carol's balance sheet

Additional situations

Question: What if Bob does not transfer Carol's payment, thereby blockchain Alice's money?

Answer: Alice can send the last transaction-state to the network, and when the transaction is processed, Alice can withdraw money from the htlc-safe after a while (Fig. 2).

Q: What if Carol does not transfer the number x to Bob?

Answer: Bob can send the last transaction-state to the network, and when the transaction is processed by Bob or takes the money from the safe after some time, or if Carol spent the safe first using the number x, then Bob will be able to see it since all is in a public blockchain. With the number x, Bob can either send it to Alice if there is still a payment channel between them or open a safe using the number x.

Question: What if Bob does not have enough money in the payment channel with Carol?

Answer: Bob will be informed that there is not enough money in his channel, and Alice will have to pay for someone else.

Question: What if Alice and Carol conspired in such a way that Alice sends a lot of payments through Bob, and Carol does not give the number x, thereby making Bob's transaction invalid in size?

Answer: This problem is proposed to be solved by limiting the number of created htlc-safes for one user.

Conclusion

Using the htlc-smart contract, the creators of the concept succeeded in using intermediate nodes for transferring payments. The system of smart contracts and transaction-state makes many attacks economically unprofitable. Together, all this leads to the properties of decentralization and openness, described at the very beginning of the description of the Lightning Network.

We have reviewed only the conceptual features of the smart contract system Lightning Network, which takes 5-10% of the total work. Most of the work of engineers is aimed at solving technical issues, we will cite some of them:

1. How do the nodes find each other and exchange information about the network topology ([discovery](#))?
 2. How is anonymity achieved ([onion routing](#))?
 3. How data transfer between nodes is encrypted([brontide](#))?
 4. How not to download the entire blockchain for the full operation of the node ([neutrino](#))?
 5. What is the structure of the invoice([payment-encoding](#))?
 6. How to store keys for canceling the state ([shachain, elkrem](#))?
 7. What algorithms are used to find the payment path([routing](#))?
-

Purpose of ICO

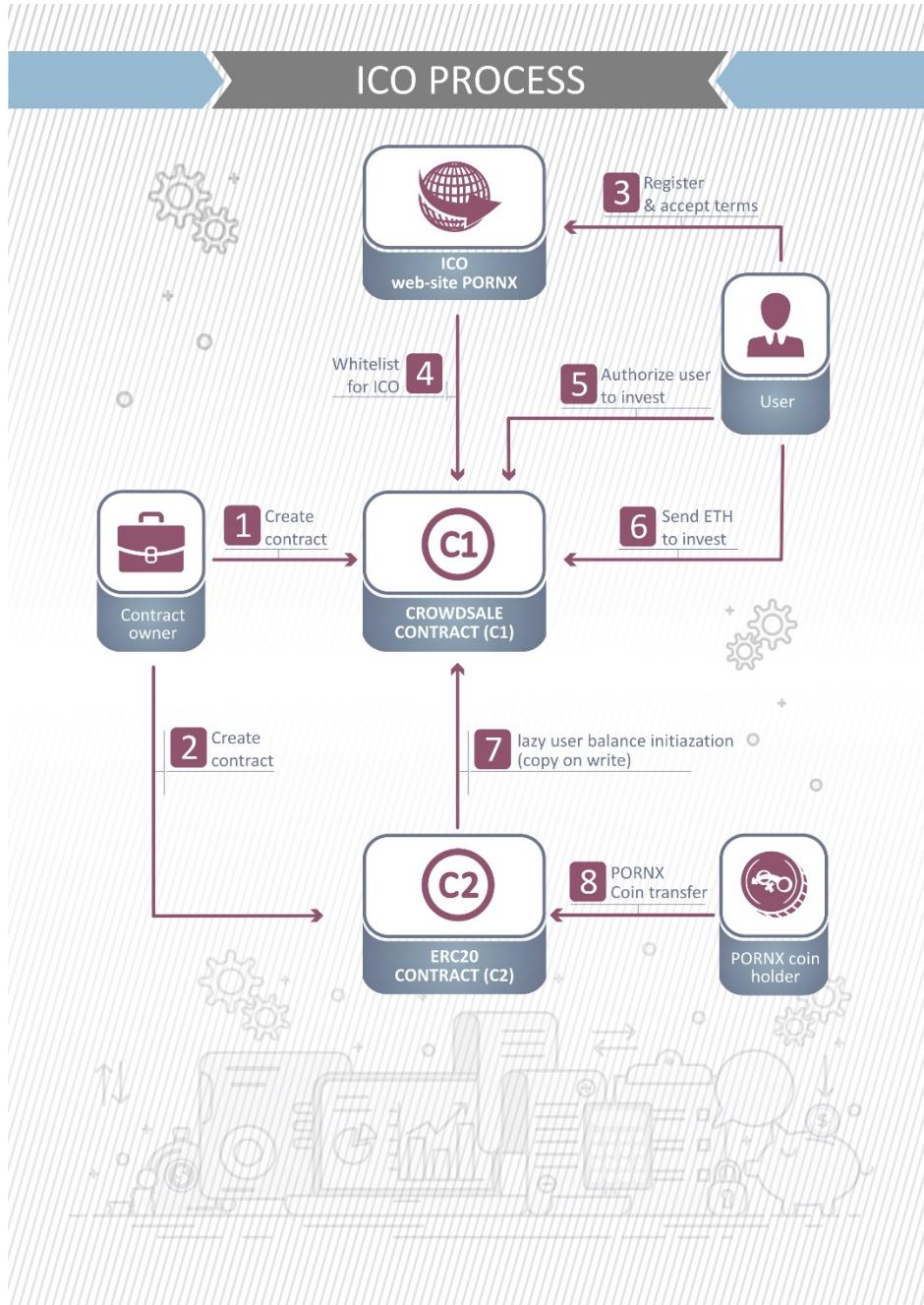
In the process of ICO (Initial Coin Offering) we want to attract investors - who will be the users themselves. We want you to use our coins, give us feedback, test it, advertise to your friends and acquaintances, as a result you will earn as an investor when the coin will be in demand more often than others and will be used in payment services for paid video content for adults Worldwide.

This is a great model - think about it, you are the smith of your success. If the coin is recognized by users, and by the time the payment system is released, it will be used on the 120 most popular porn sites - it will blow up the limited scope of the standard placement of coins on exchanges and purses. It will have Growth exponentially - it will multiply before our eyes.

Contracts creation

First, the contract owner (Developer) must create a crowd sale contract (C1) and an ERC20 contract (C2). Pre-Sale-contract and Token-Sale-contract are used to collect and authorize user addresses, collect payments in ETH and calculate the balance of PORNX at the end of Pre-Sale and Token-Sale. If the minimum amount (SOFT CAP) is not attracted, then the contract will be able to refund the funds to all users. Once the maximum collection amount (HARD CAP) has been reached, the contract automatically stops collecting funds. If for any reason, the owner of the

contract decides to stop conducting Pre-Sale or Token-Sale, the contract automatically reimburses the fundraising to investors. The Pre-Sale contract will be active only for a certain period of time from February 11 to February 25, 2018. Token-Sale-contract will be active for a certain time from March 1, 2018, to March 31, 2018.



Registration at ICO

Due to the requirements of international law, potential investors must register and accept the conditions of ICO PORNX (PORNX) before the actual contribution of funds. For this registration, the investor will need a valid e-mail address and a purse ID from which the user wants to invest in the ICO. After successful registration, the provided purse identifier will be included in the whitelist, after which the user will be able to invest in the ICO.

Investment

Users become investors after the transfer of ETH from the purse, which was provided to the Pre-Sale contract and the Token-Sale contract at the time of registration. If the purse ID is unknown to the contract (it was not included in the "Whitelist" addresses), the investment transaction will be rejected.

Distribution of Tokens After the completion of the ICO, an ERC20 contract is launched, including the balance of PORNX distributed during Pre-Sale and Token-Sale. From now on, all the members of the ICO will be able to access their balance of PORNX coins.

ICO

During the ICO, up to 255,000,000 PORNX (75% PORNX) will be sold. The main goal of the ICO is to attract 75,000 ETH. Pre-Sale - 5 000 ETH (Hard Cap), Token Sale - 70 000 ETH (Hard Cap). The cost of the token is 0.4 USD. Exchange rate: 1 ETH = 3,000 tokens PORNX - this rate may change due to the volatility of the ETH / USD exchange rate. Pre-Sale will begin on February 11, 2018. It is assumed that this course will last until March 31, 2018. The final course and a fixed amount of ETH will be announced before Pre-Sale begins.

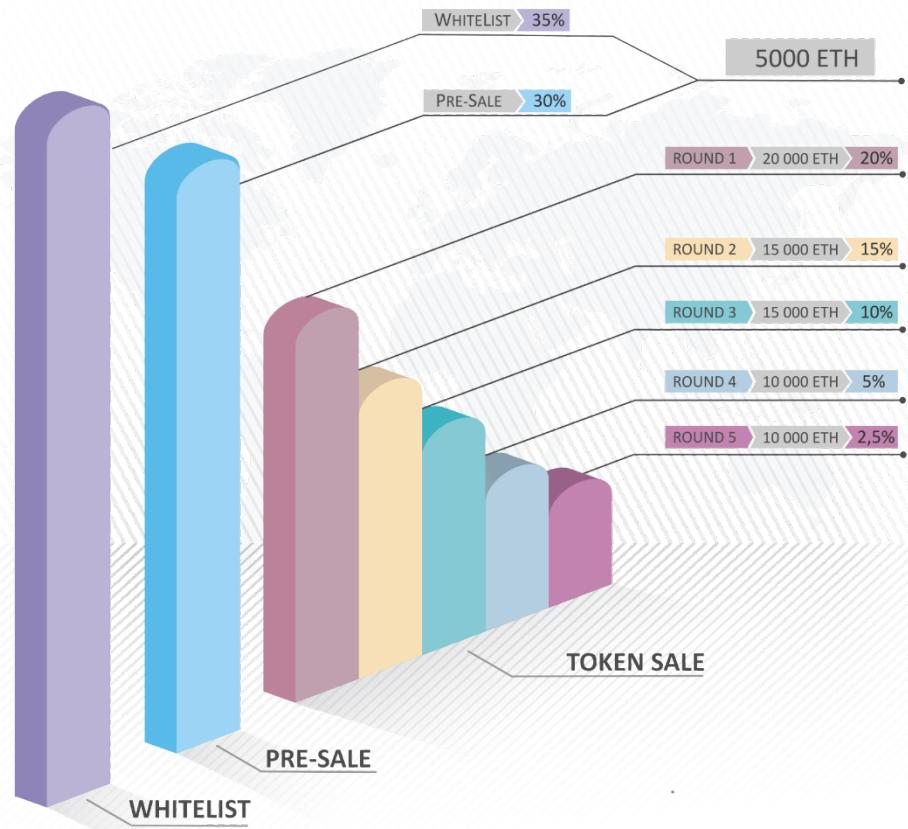
All collected funds from investors, the Developer will use for the work described in the development map (roadmap).

Detailed information on the exchange process will be published in the Document on the offering of coins.

The primary issue of PORNX tokens on Pre-Sale and Token Sale occurs when one of the following events occurs:

1. Distribution of all free coins and achievement of a mark Hard Cap.
2. End of the limited time for Pre-Sale and Token Sale

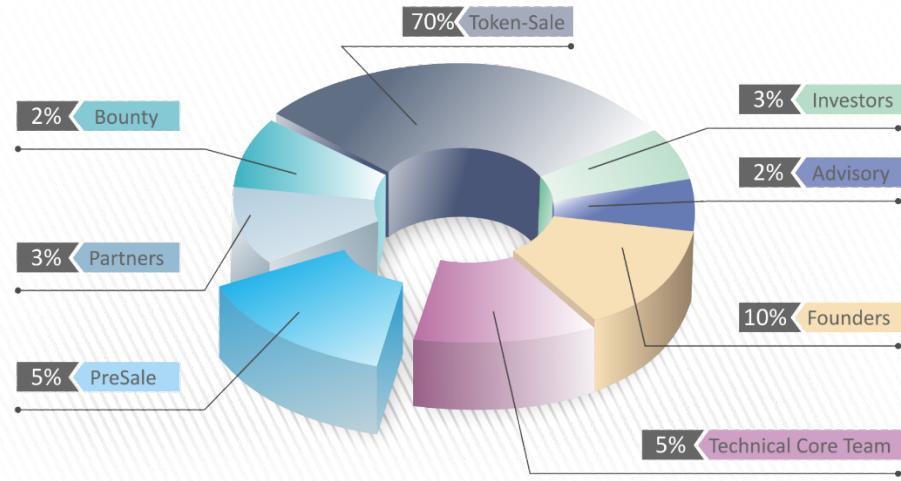
BONUS CHART



DISTRIBUTION OF COINS

1. Pre-Sale - 5%
2. Token-Sale - 70%
3. Bounty - 2%
4. Investors - 3%
5. Advisors – 2%
6. Founders - 10%
7. Partners - 3%
8. Technical Core Team - 5%

TOKEN DISTRIBUTION



The total volume of the PORNX token emission is 340,000,000 PORNX

The release of PORNX tokens is regulated by the ERC20 smart contract based on the Ethereum blockchain system, which is intended for the primary distribution of PORNX tokens.

The distribution of PORNX to the ICO is subject to 100% of the 340,000,000 PORNX.

1. Pre-Sale – 5 %

Will be distributed in the period from February 11, 2018 to February 25, 2018

2. ICO – 70 %

Will be distributed in the period from March 1, 2018 to March 31, 2018

3. Bounty – 2 %

The remuneration will be evenly distributed in the first 2 weeks after the end of the ICO

4. Investors – 3 %

The accrual of tokens will occur to investors within a month after the ICO.

5. Founders – 10 %

Tokens will be charged from the 2nd to the 4th quarter of 2018 as part of the development bonuses received by the developers

6. Advisors – 2 %

Tokens will be charged from the 2nd to the 4th quarter of 2018 as part of the development bonuses received by the developers

7. Partners – 3 %

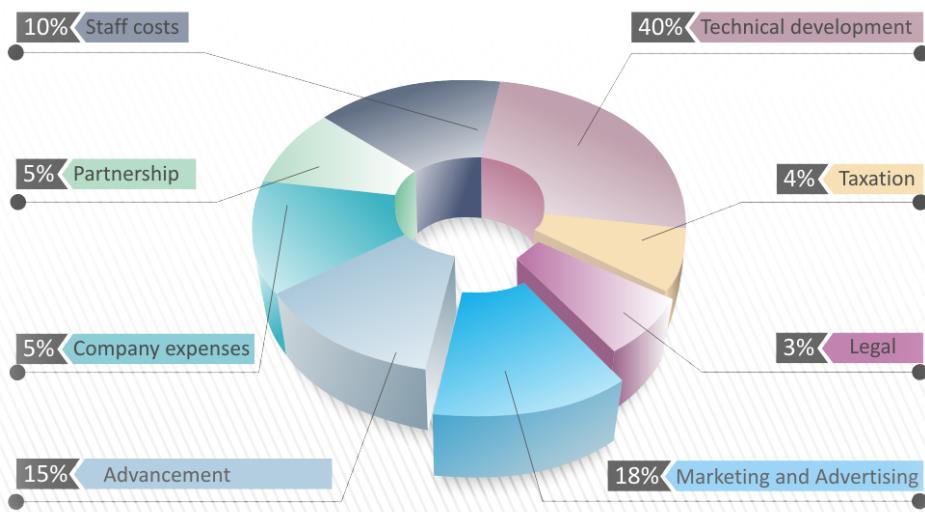
The charging of tokens will occur starting from the third quarter of 2018, to support the bonus part of the promotion of users

8. Technical Core Team – 5 %

The accrual of tokens will occur during the work on the project from 2 to 4 quarter of 2018

FINANCIAL PLANNING:

TACTICAL ASSET ALLOCATION



1. Technical development of the project (Technical development) - 40%

1.1 Additional development of MVP - decentralized blockchain solution for instantaneous free transactions between users and content sellers on the basis of the PoS principle within the Open Chain network for the introduction to partner sites as the primary solution of the X-Q Pay payment system.

1.2 Designing a payment system over the network Lightning Network (design, audit, release). Changing the architecture of Lightning Network - for internal tasks X-Q Pay.

1.2. Application X-Wall Wallet- implementation, testing and development of compatibility of TOP-40 popular currencies, as well as the implementation of storage of new tokens based on the ERC-20 protocol

1.3. Implementation of the automated exchange system between ERC20 - PORNX tokens based on Ethereum and internal tokens PORNX, elimination of bugs and errors that meet the needs and tasks

1.3. Smart contract. Design and implementation work for our structure

1.4. Development of compatibility protocols for accepting a currency in exchange for PORNX, working with a partner bank

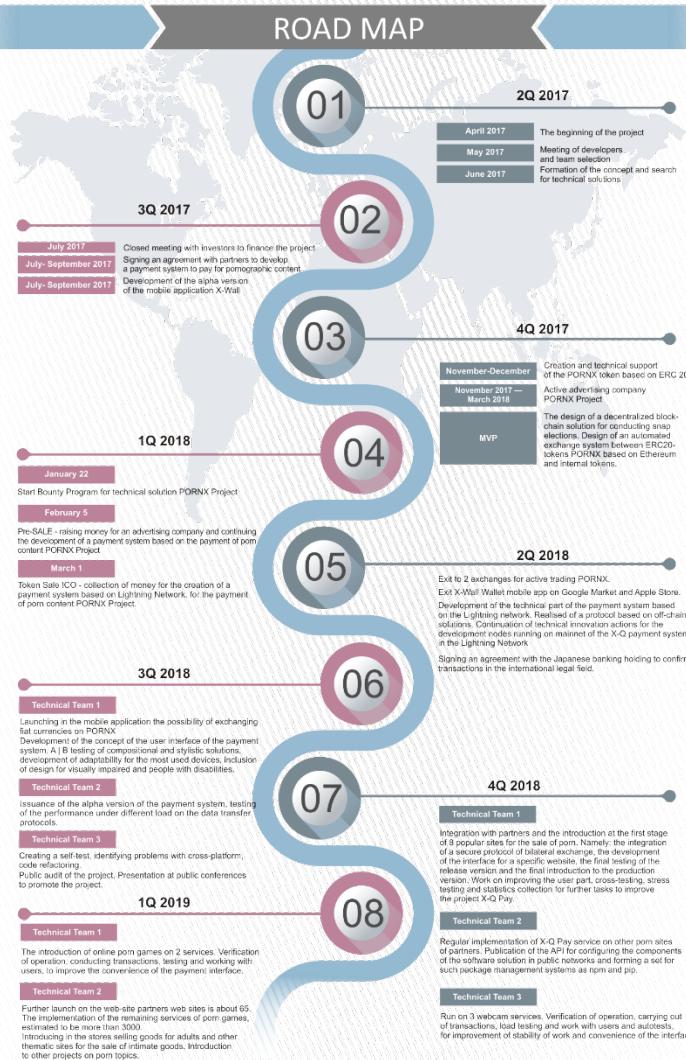
1.5. Technical mounting to the sites of partners, and the ability to take cryptocurrencies - the development of a technical solution for the compatibility of sites and the payment page.

2. Promotion of the project (Advancement) - 15%

2.1 Working with partner sites to promote the project among current users

- 2.2 Promoting the project for introducing cryptocurrency as a payment tool
- 2.3 Participation in conferences and exhibitions on the blockchain
- 2.4 Promotion and work with SMM-industries such as YouTube, Facebook, etc.
- 2.5 Increase of partner sites that can accept cryptocurrency.
- 2.6 Work with media in the field of business journals, to promote PORNX as a unit of payment for pornographic content.
- 2.7 Work with thematic magazines such as Hustle, Playboy, and others to promote the project
- 3. Financial support of each sector of work
 - 3.1 Marketing (Marketing and Advertising) - 18%
 - 3.2 Search Engine Marketing
 - 3.3 Digital marketing
 - 3.4 Marketing in social networks
 - 3.5 Brand Management
 - 3.6 Internet Marketing
 - 3.7 Marketing research
 - 3.8 Product Placement
- 4. Integration with partners (Partnership) - 5%
 - 4.1 Support of service area of responsibility
 - 4.2 Network technical support
 - 4.3 Connect to existing single networks owned by partners.
 - 4.4 Creation of regional systems for providing technical and language support to users of different regions (USA, Europe, Arab countries, Asian countries, etc.)
 - 4.5 Development of interaction programs for partners and special conditions for clients.
- 5. Operating expenses for the company (Company expenses) - 5%
 - office rent
 - business travelers and managers
 - purchase of equipment for the company
- 6. Salary fund before the release of the operating profit (Staff costs) - 10%
 - full-time employees
 - freelancers
 - Advisors
- 7. Registration, patent development (Legal) - 3%
 - Creation of a patent department
 - Patent decisions of intellectual property
 - Design of a detailed technical description of technologies for the registration of intellectual property
- 8. Taxation and deductions (Taxation) - 4%
 - Observance of territorial taxation systems as they are active in the Regions of Presence

ROADMAP



OUR ADVANTAGES:

- 1.Experienced team with the background, the introduction of payment services in large projects.
- 2.An official company with a transparent history, public owners, and open tax reporting.
- 3.Legally fixed relations with partner sites for the introduction of a cryptocurrency payment service.

- 4.The financial model for the development and implementation of the project, the yield on operating profit in Q4 2018.
 - 5.Registered company name, trademark and trade name. Patent applications for technical solutions used in our payment system.
 - 6.A mobile application, payment service, and porn token with an understandable financial model of its use.
 - 7.An arrangement with 2 exchanges for the convenience of shareholders - after ICO, an exit on the stock exchange for volumetric trade in a coin.
-

LEGAL ASPECTS

Company X-Wall Ltd. It is registered in Singapore. In the future, the company will be legally re-registered in Japan, for the legalization of activities in the field of cryptocurrency. Accounts will be opened in Singapore, Japan, the European Union, the United States.

All local legislation of the countries of operations and financial transactions will be observed.

At the first stage of the work, the Developer sells PORNX as a digital token at a price tied to the value of \$ and its equivalent in ETH. At the ICO stage, the cost of the 1 PORNX token is \$ 0.4.

For this, an offer contract is concluded between the user and the Developer. In it, 1 PORNX will be defined as a unit of digital goods, which is the company X-Wall Ltd. which will use PORNX as a unit of payment.

In the future, to buy/sell/exchange PORNX the user needs to go through the registration procedure on the website <http://porn-x.com/>, or install the mobile application X-Wall Wallet.

All the proceeds from PORNX sales are spent by the company on the development and implementation of the XQ Pay payment system on partner sites, the launch of the mobile application X-Wall Wallet in the AppStore and PlayMarket and its improvement, expansion of the partner network, company expenses, employee salaries, tax deductions, e.t.c.

PORNX's tokens are not securities since their passive possession does not provide for any income. In addition, the primary sale of PORNX tokens is prohibited to US and Singapore nationals.

Company X-Wall Ltd. is ready to fully repay all funds to US citizens and Singapore nationals paid for PORNX tokens in the currency at the time of purchase, even if the US and Singaporean citizens have concealed their citizenship using technical means.

In case the project is released to the US market, the possibility of registering the PORNX project with the SEC will be considered.

Legal "partner of X-Wall Ltd. - Deloitte CIS advises on legal issues and prepares an opinion on the following plan:

ASSESSMENT OF REGULATORY CONSEQUENCES

- Analyzes and analyzes the structure of each project to give advice if the project is regulated by the Singapore Monetary Authority.
- reports the applicable rules and regulations, including the appropriate type of registration/license based on the target customers and planned actions/activities, If regulation is needed.
- The proposed councils will also consider possible/upcoming legislative changes that may affect the project. In addition, an opinion of an American legal company will be received concerning the question whether PORNX securities are in terms of <https://www.sec.gov> and <http://www.mas.gov.sg>

ESCROW

Guarantee of redemption at any time!

Most of the projects - promises to buy back some of the tokens from users, providing the obligations - escrow. But unfortunately - projects without a powerful profit model, redemption of tokens is simply not possible. Even at the current rate, coins are growing, while money of development companies diminish, with each month.

If you want to exit the project at any stage, you will have such an opportunity in our project. We can buy tokens for you at an average market price and confirmed by the company's management on the official website in the PORNX Exchange section. For further use by the Developer in the payment system X-Q Pay.

The repurchase is possible for BTC, ETH, USDT.

Tokens purchased by investors in the process of ICO (initial coin placement) and subsequently purchased on exchanges - X-Wall Exchange will be automatically redeemed by purchasing PORNX by ordinary users.

Our escrow model is guaranteed to buy tokens from investors, due to a financial model where X-Wall Exchange will buy tokens from the stock exchange or directly from investors to support the X-Q Pay payment system and the use of simple users.

Thus, we will provide an escrow model of guaranteed tokens redemption. When redeeming, we instantly sell these tokens - directly to the site's users, receiving frank money or cryptocurrency, which we then transfer to the site owner.

The second model of the escrow guarantee is the payment system Lightning Network, which allows you to buy PORNX tokens from investors or holders directly by the user through a network of decentralized exchanges. This will provide a guarantee for the direct purchase of tokens, for users in the X-Q Pay payment system, directly from investors and holders of PORNX.

END

Thanks everyone who has spent his time reading White Paper. If they even helped you a little in understanding this technology, then we consider our small educational mission accomplished