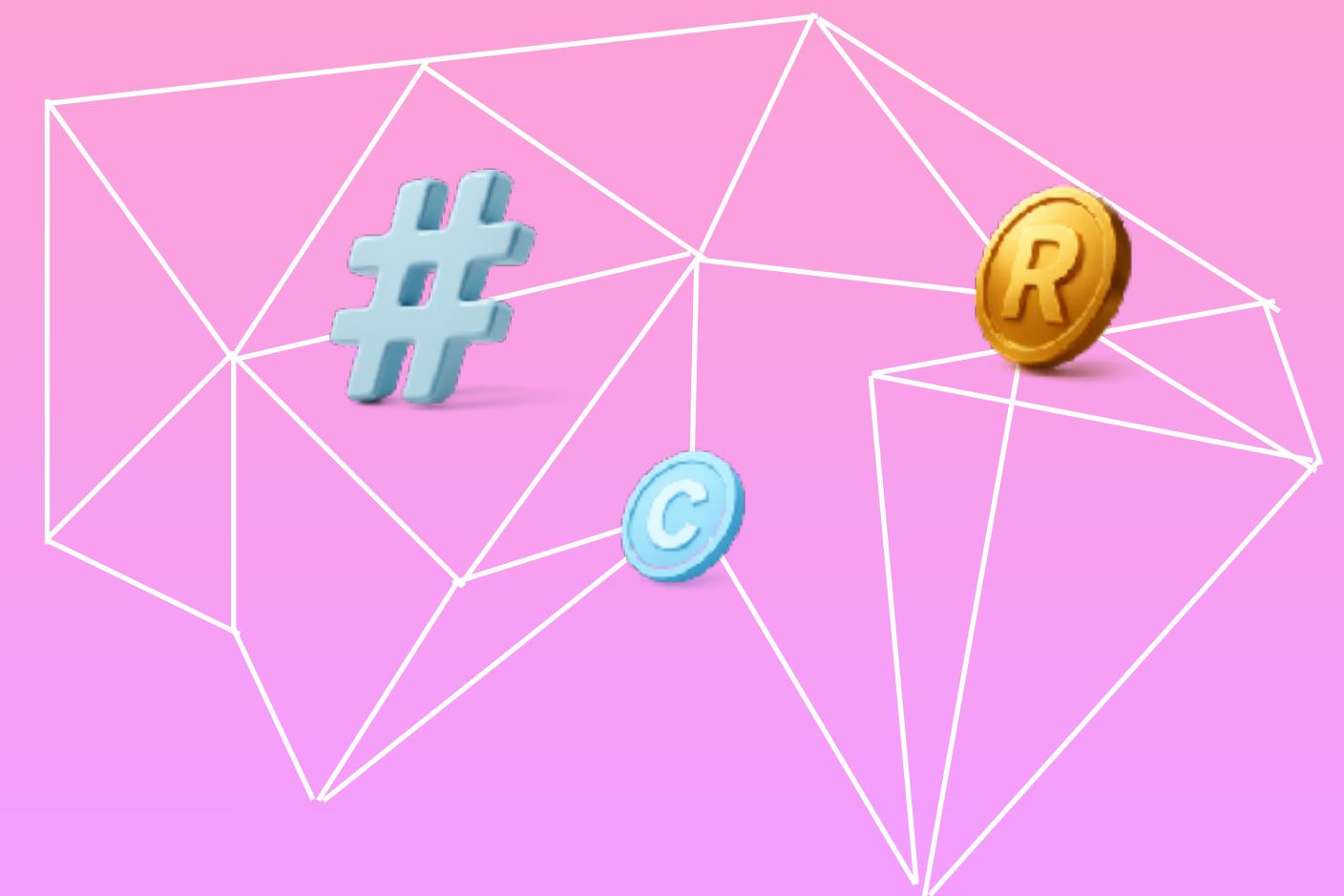


Craters: Attention Pricing Infra That Sticks to and Circulates With User Behavior

A tagging protocol that turns interactions into signed, routable payout events across platforms

CRATERS | SEP 2025



Pain

- **Crypto Fatigue**

- Lack of stable settlement infrastructure
 - either volatile (*speculative coins*) or stagnant (*stable coin*)
- Pay-To-Win
- Opaque Source of Money and Solvency

- **Creator Economy Imbalance**

- **Adpocalypse**

due to lack of fair royalty sharing infrastructure

- Commenters & Fans Excluded From Monetizing Their Contribution

- Uncertain ROI on Influencer Partnership

Solution

The first *attention-backed settlement layer*

- **Price stable rise with solvency**

- **Free-To-Play**

- **Source of money & utility loop**

- **Fan tag artist/creator**
micro earning for attention even for lurkers

The tagging rail: Web2 clicks → Web4 receipts

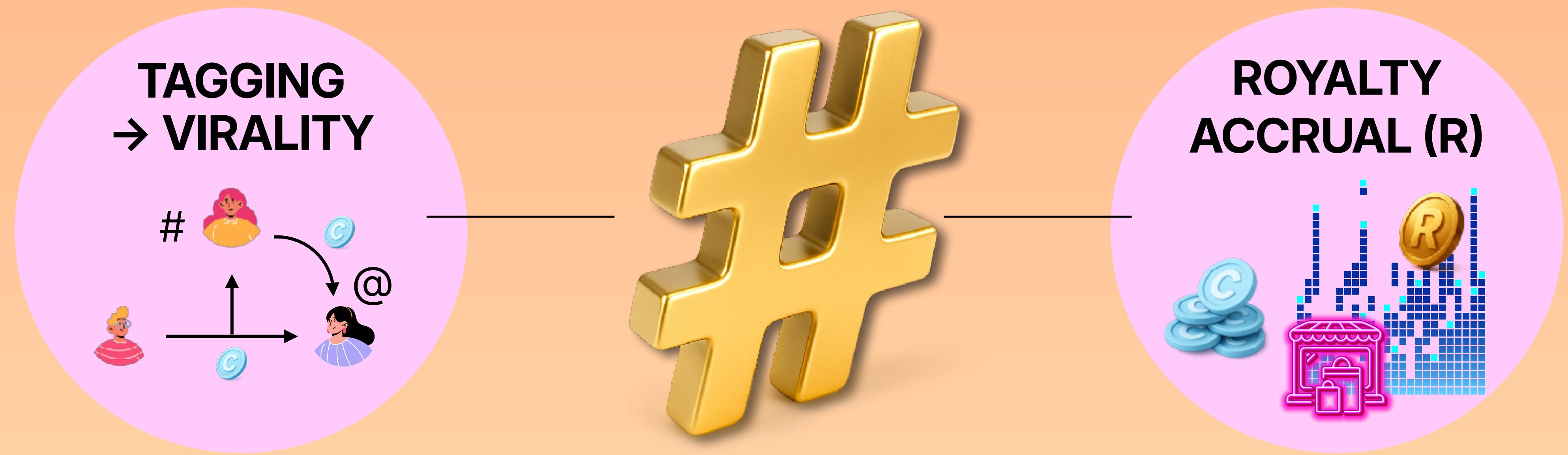
A tag turns a normal click into a receipt of transfer. User interaction eventually mint R tokens to cash out

Web2: Likes, @, # → **signed receipts**

Web3: The tag records who shares (C pieces)

Web4: When value lands, **R mints to C holders**

Financial flow attaches to behavior
→ Royalties accrue on tagged claims
→ R minted for users and their Digital Assets



Tagging creates buzz & discovery

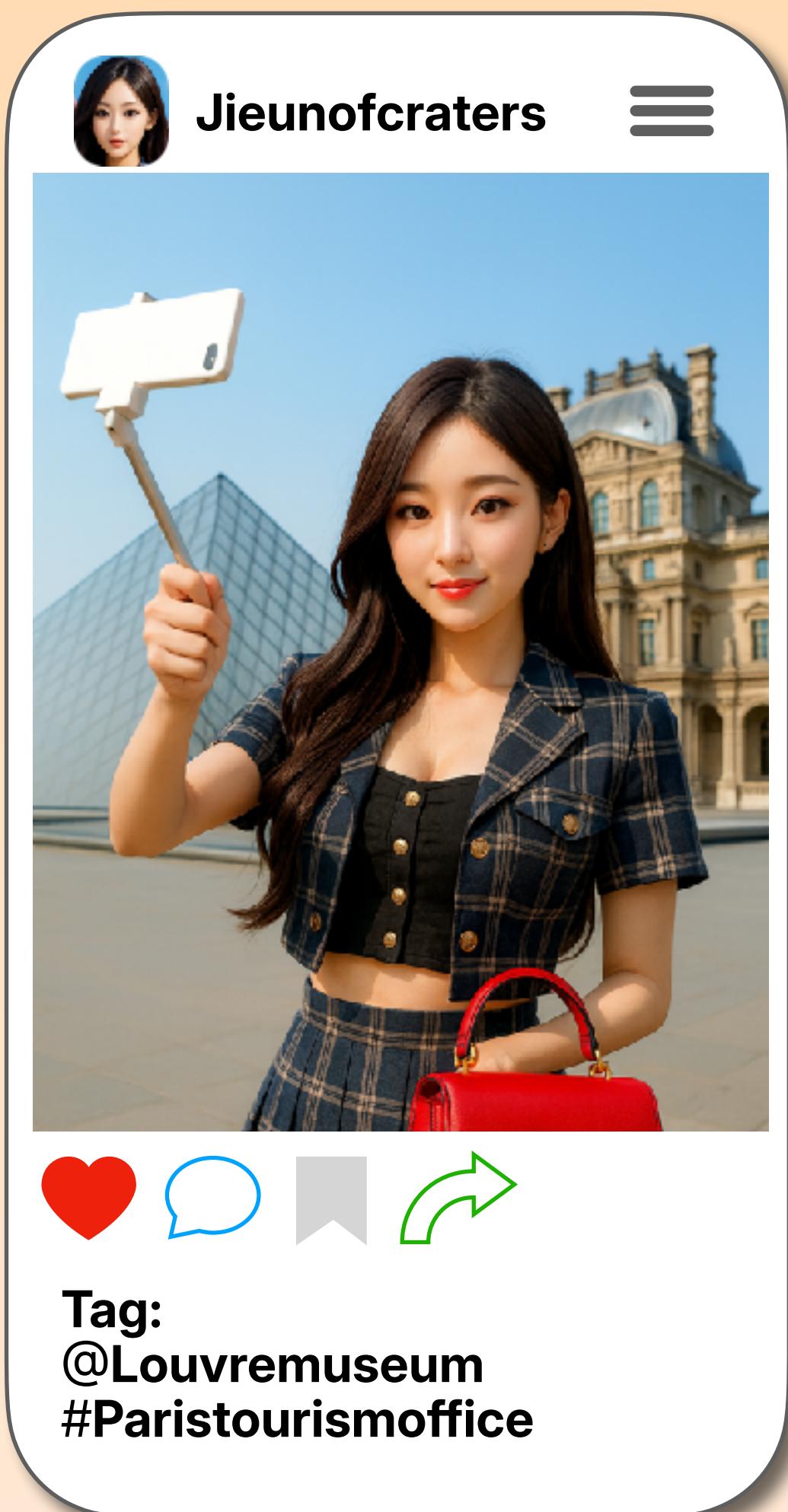
Tagging enable users to create Digital Assets



Product & the Loops

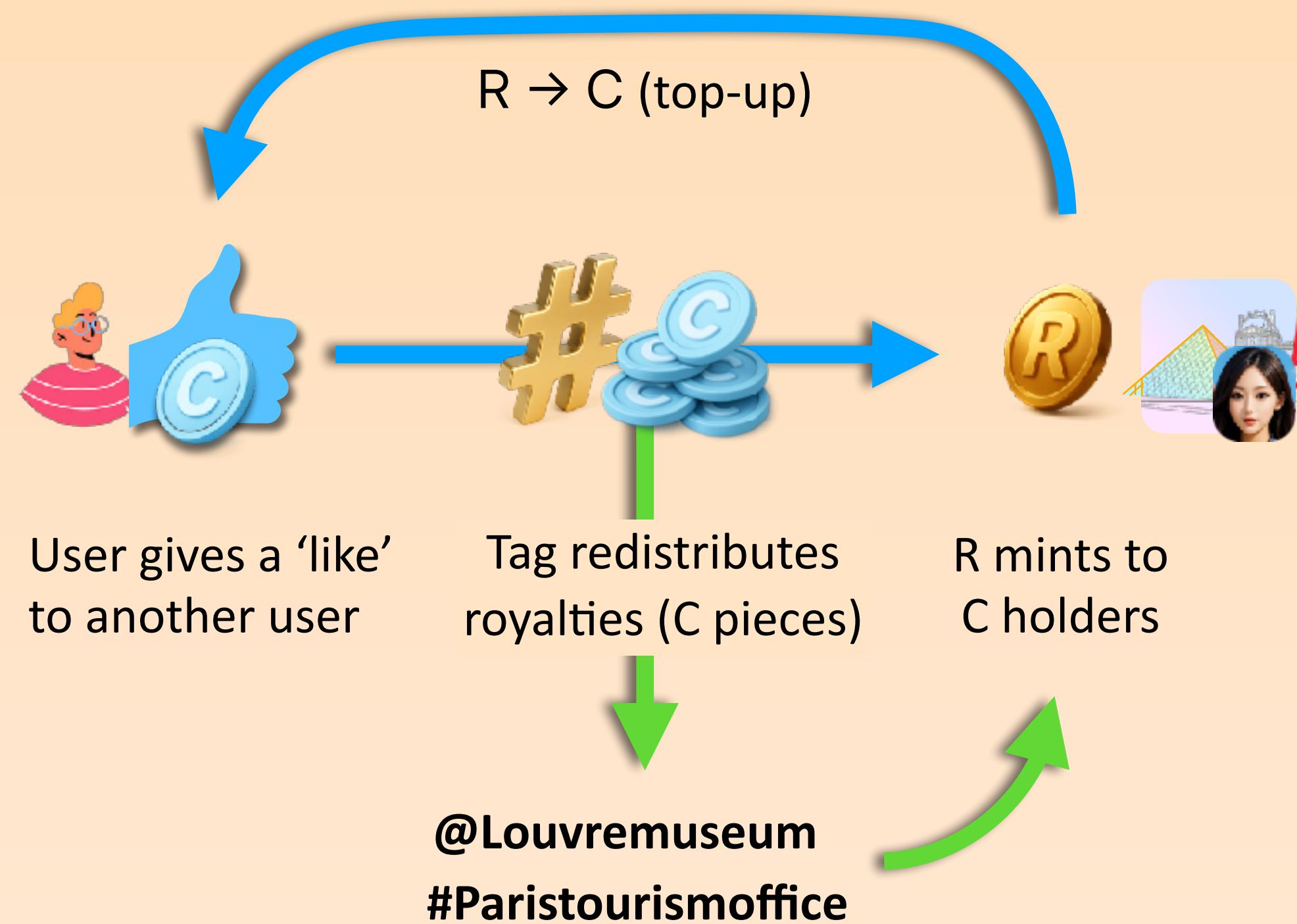
Creator \leftrightarrow Viewer: fair earnings per contribution

Social app



User Wallet

The ecosystem rewards attention;
users redistribute rewards



User experience \rightarrow signed receipts



tokens attached to behavior (claims)



attention price unit (cashable)



attention flow



influence flow

Influencer - Lurker Loop

- **Creators earn** C token transferred from per viewer
- **Viewers earn** for their attention (view receipts)

Digital Asset Creation

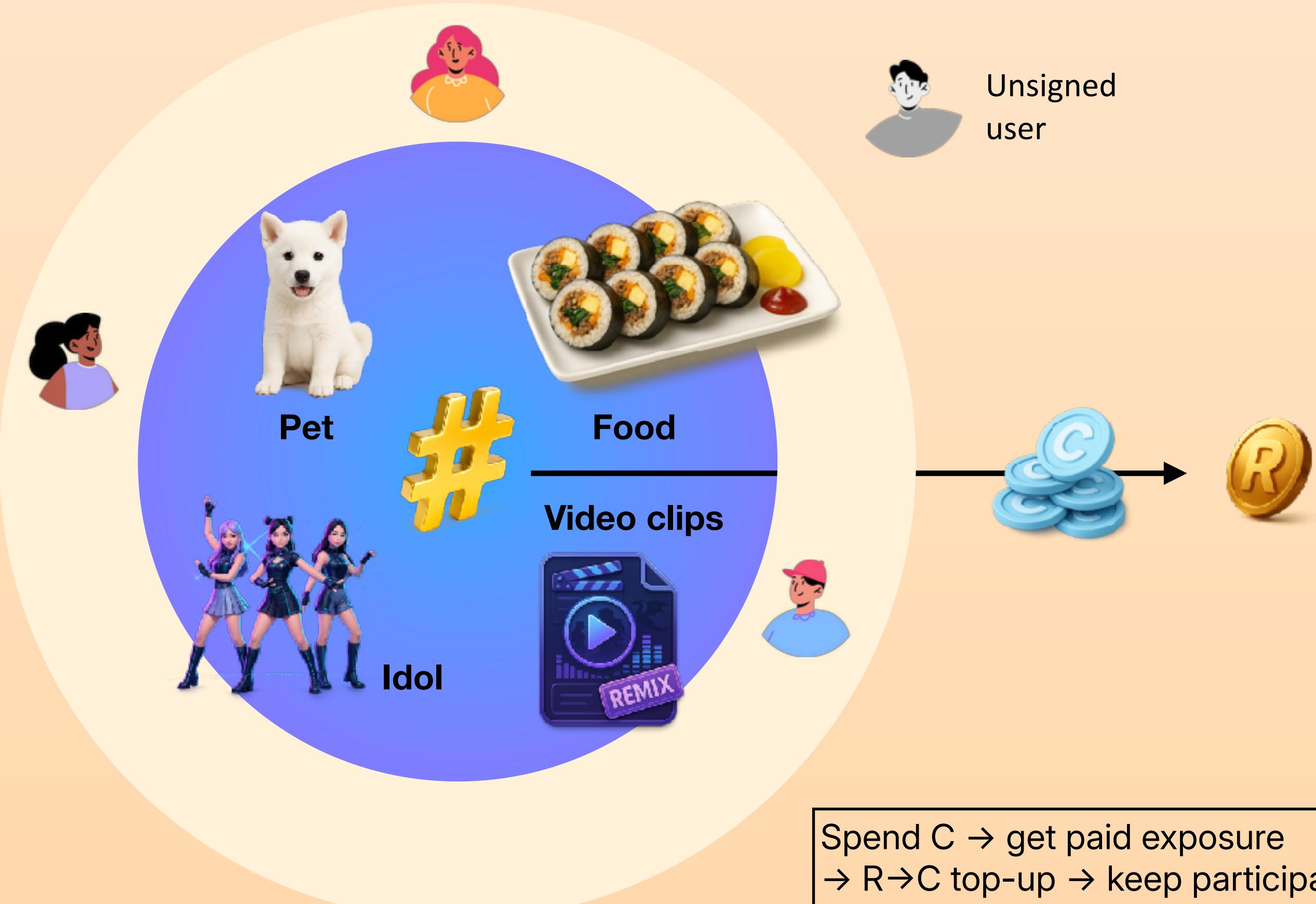
- **Object or concept tags** can be minted as digital assets (e.g., **@Louvremuseum**) and claim the accrued royalty

PoC Goals - Everyone Earns (Organic)

Clicks → signed receipts → royalty credits → R mint

■ Mission (quality, no deadline)

- **Organic category reward:** unlock a **100 R pool** when a theme passes **quality gates** (correct tags, ≥ 5 verified likes avg, ring/copy spam de-weighted)
- **Floor-safe funding:** platform **self-purchases R** (fiat→R) and distribute **boost-only R** to users to spend
- **Unsigned users:** credits accrue to a **reserved claim**; unlock on sign-up + proof



Cohort & checks

50–100 participants invited to share anything they like (pets, food, remixes, idols). Prove, in a tiny group, that:

- **Viewers earn when they engage** (get paid exposure)
- **Tagged parties accrue royalties passively** (reserved claims for unsigned)
- **Receipts → wallet → cash-out** flow is smooth (*KYC at cash-out*)

How earnings show up (clean & truthful)

■ Post owner

- Likes = C gifts to you (wallet→wallet)

■ Viewer

- Engaging costs C: likes/comments **transfer your C** to the post owner
- Spend C → the system **surfaces paid exposure** (post-boost/ads); on those exposures your balance **tops up via R→C (top-up)**.
- No “free earning”: top-ups pair **C spend + exposure**

■ Tagged party

- Verify ownership later to **unlock eligible amounts** (*details in tech deck*)
- If unsigned, credits sit as a **reserved claim** until sign-up

Throttles, Anti-Sybil & Compliance

Ecosystem self-correcting (decentralized accountability)

Self-governing justice system

1) Provisional C deduction (*whistleblow*)



2) Open forum & evidence



3) Community jury resolution



Anti-click gaming

(tokenomics-first)

- Fakenews, spam, privacy invasion, abuse
- Whistleblower can provisionally deduct 1 C from post owner
- **Fast path:** accused can accept (treat as feedback) or **challenge**
- Evidence-based discussion; others can stake attention
- **Macro bots (random views/likes):** randomized interactions mint slower than meaningful traction; auto-dissolve is capped
- **Throttles:** epoch minting, R-issuance quotas, per-identity purchase limits, velocity caps

KYC & Compliance

- Token roles: C circulates in-platform; R is cashable
- **Cash-out = KYC** (sanctions/PEP screening; jurisdictional blocks where required)
- **Tax:** statements by lot (Purchased/Earned), timestamps & FMV; taxes follow each user's local law
- **Virtual-asset treatment:** disclaimers + user guidance; timing & thresholds vary by jurisdiction
- **Controls:** AML monitoring, Travel-Rule where applicable, audit log (hash-logged; selective anchors)
- **Regulatory note:** R is designed as an attention unit (utility). Classification may vary by jurisdiction and use. We avoid "investment intent" UX and publish transparent pricing. (*Formal counsel to confirm in launch markets*)

Innate Adoption & Churn Resilience Design

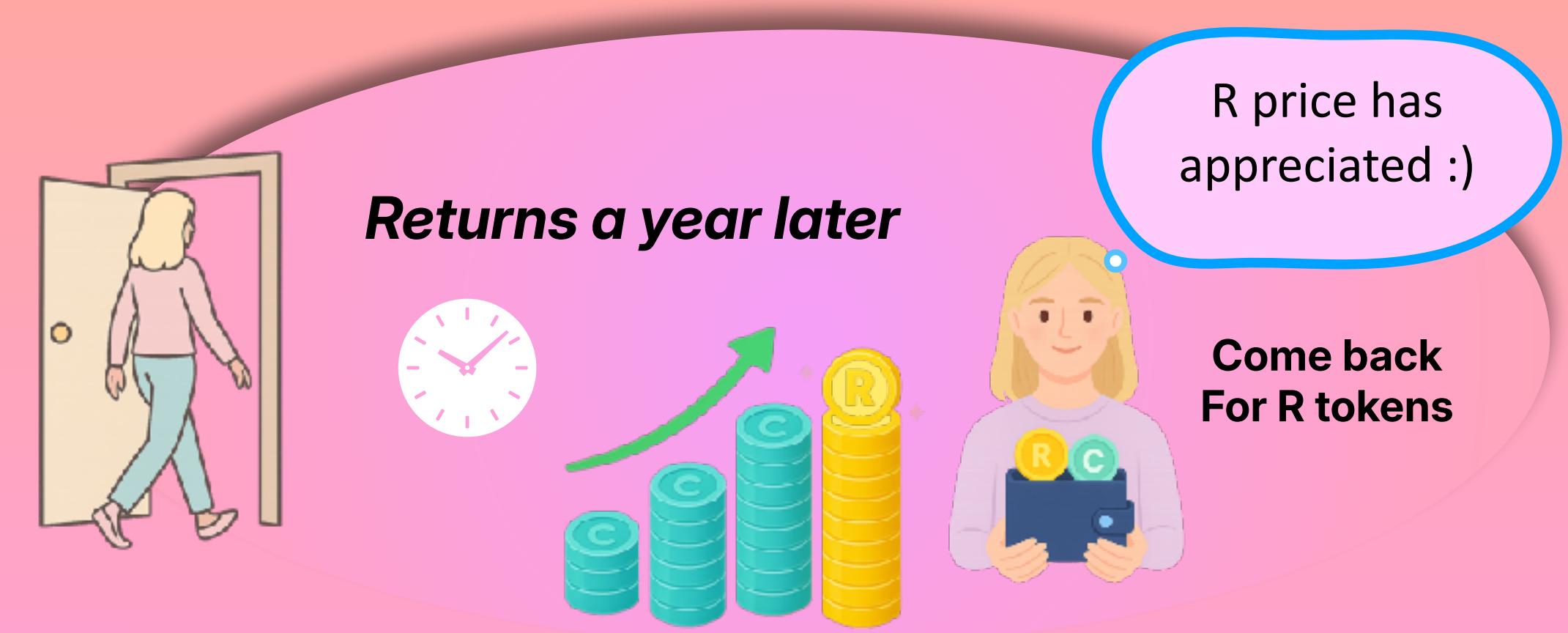
- Unsigned users can accumulate **royalties**



——— **Earn first, join later** ———

1. Fans tag them → royalty credits are routed to that tag (*held as a reserved claim*)
2. Credits continue to **accumulate** as content is exposed
3. When they sign up and verify, **reserved royalties unlock** (*mint/claim per policy*)

- Walk away and come back



User leaves; their **C and royalty credits remain** on the platform. Allocation continues per the receipt graph. When they return and verify, **their credits are waiting**

- **Churn resilience:** inactivity **doesn't harm the price-floor policy**; if anything, **R outflow slows** while treasury cash keeps accruing
- **Ad-winter resilience:** internal post-boost + PPL fees sustain accruals even when brand ads slow

Tokenomics & Scalability

~200M+ receipt events/day at 10M users

Receipt graph + public pricing engine + treasury policy

User actions write receipts of C transfers → value accrues to current C holders → on threshold/epoch, R is minted to them

Treasury cash from ads/boosts and strong C retention lift the price floor

■ C allocation & decay (onboarding)



- **C pieces airdrop at sign-up**
(start empty)
- **Supply decays with scale:**
10k per user at launch
→ 1k by 100k users
→ 100 by 10M users
- **Auto-dissolve:**
when C=0,
a capped slice of R → C
so spending never stalls

■ Receipt graph & public pricing engine



- **User actions → signed receipts**
- Receipts **redistribute C & R** (transfers/splits) across people/items/tags
- **Public pricing engine:**
ad/boost inventory is **priced in R**; at purchase **fiat→R** at the posted price
- **Top-up** (settlement):
when ad/boost value lands, **R is credited to viewers holding C at that moment**

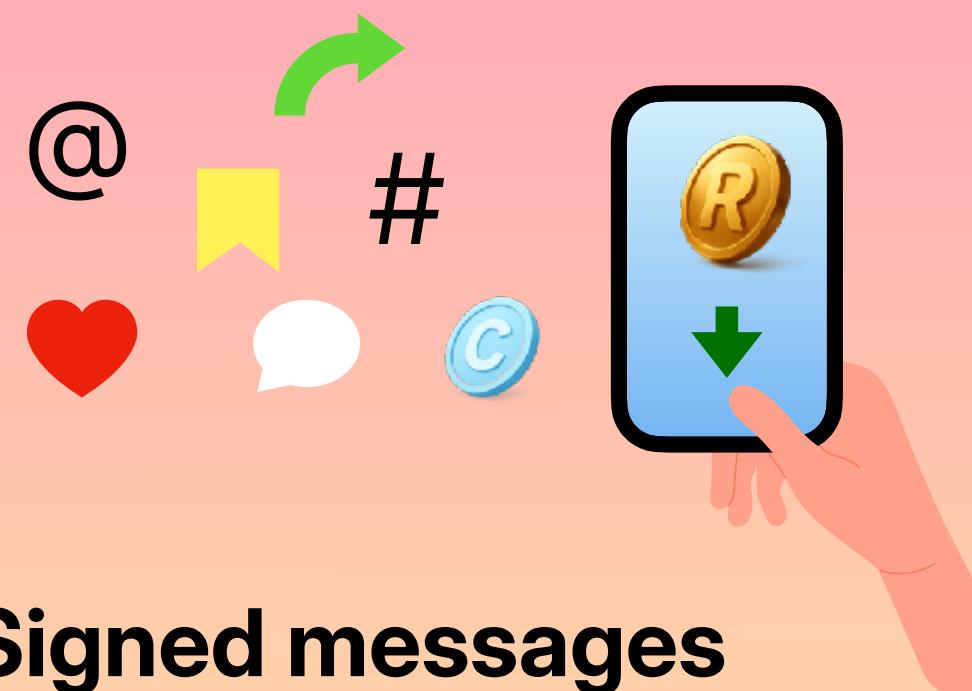
■ R issuance & price-floor policy



- **Two issuance paths for R:**
 - A) at ad/boost purchase** (fiat→R)
 - B) via user accrual**
(settlement → R to C holders)
- **Sinks & buybacks:**
boosts/fees recycle R to treasury;
the platform **buys back R** from users
- **Floor policy (solvency):** public rule and accounting maintain a **price floor**;
platform sells R **above the floor**
over time (see the white paper Part 3)

Lean, Transparent, and Efficient Tech Curation: Signed Messages, Receipt Engine & On-Chain Anchors

User actions become signed receipts. The Receipt Engine applies a proprietary allocation rule to record value to eligible holders. Periodically, R mints against those recorded credits. Public prices & completed purchases are published (aggregated, no PII); receipts stay private (hash-logged, selectively anchored on-chain)

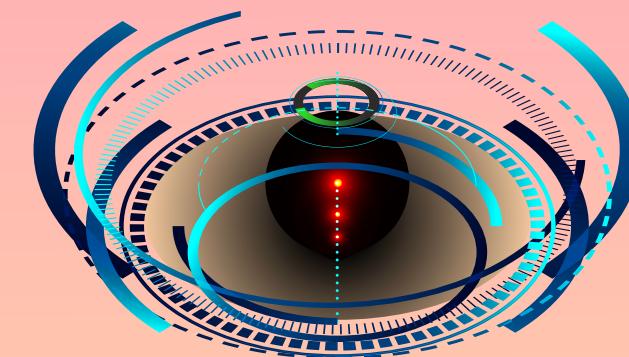


■ Signed messages

User actions are signed;
unsigned events are ignored

Craters User Wallet:

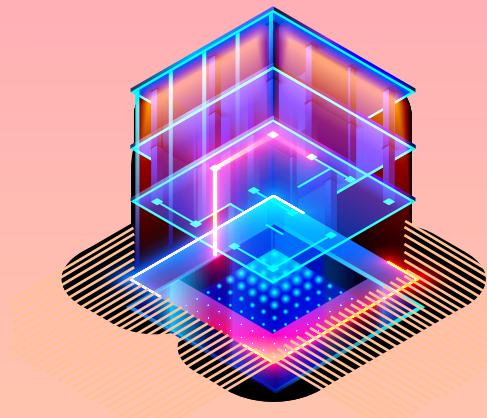
Lots by origin (Purchased/Earned),
timestamps & FMV, settlement credits



■ Receipt Engine (autonomous)

Tamper-resistant runtime;
records value per proprietary rule;
no human knobs

Pricing & Treasury: Inventory priced in R;
fiat→R at posted price; public prices &
completed purchases (aggregated, no PII)



■ Selective on-chaining

Anchor **Merkle roots** and/or
settle only critical flows
(ad buys, treasury ops, P2P)

Transparency log:

Receipt **hashes** for public verifiability;
users keep **private receipts**

Floor \approx treasury_cash / circulating_R. Treasury inflows + strong C retention support the floor; buybacks defend liquidity/floor

Road Map

Pre-seed → Prototype (PoC) → MVP → Seed

Onboarding Strategy

Dev & Op.

Q3 2025

- IR Deck update
- Website update
- PoC calculation
- Architecture frozen
- White paper Part 3 complete

Q4 2025

- Grant application
- Pre-seed raising begins
- Translating to JSON contracts & engine interfaces
- Figma demo
- Core backend hire

Q1 2026

- Fiat→R purchase & redemption rails online (treasury ops, posted prices, audit log)
- Cash-out = KYC (sanctions/PEP); counsel memo in-hand

Q2 2026

- Partner alignment
- Press + launch prep
- PoC roll-out

Readiness metrics For the next round

DAU credit coverage: % of DAUs with ≥ 1 credit event → Target: 80–95%

Time-to-first-earn: median from session start → first credit → Target: ≤ 2 min

Receipts throughput: sustained write capacity
→ Target: $\geq 10M/day$; p99 write ≤ 200 ms

C-spend rate: % sessions with ≥ 1 C transfer
→ Target: $\geq 85\%$ (you're running post-boost; 50% understates your loop)

• Prototype build begins

• Security & compliance checks

• C token airdrop
10k → gradual reduction

• Value injection
(internal post boost)

• ID Sales start
• PBW(Paris)

10k

1k → 10k users
viral growth:
Curators
VR filters
Theme conquest
rewards
R price rise

100 → 1k users
Organic growth:
Tagging & royalty share,
C token airdrop driven

Tech & Loop Comparison — Farcaster vs Craters

One-liner takeaway: Craters = rails (onboarding, retention, native economics, settlement). Other Web3 = graph (identity & portability)

	Farcaster	Craters
Positioning	“Decentralized Twitter”	 Infrastructure for social finance: pricing & settlement of attention at consumer scale
Onboarding & Growth	Crypto-native UX; users join first, then interact	 Zero-friction onboarding: people simply tag unsigned friends/ artists; value accrues for them to claim when they join → no wallet prerequisite
Retention & Value Protection	Users must set up wallet manually No protocol price defense	 Churn immunity: C tokens remain on platform, 1 step behind minting R → value persists even if users leave and return
Economic Rail	No native protocol token; monetization via Frames or app-specific integrations	 Dual-token rail (C + R): Public pricing engine ensures solvency and price-floor for buybacks
Privacy & Integrity	Public protocol gossip; integrity depends on hubs and app choices	 Private, verifiable receipts (signed messages, hash-logged); → IP & privacy protection (Royalties split per transaction)
Settlement Logic	No native settlement layer (apps settle independently)	 Built-in receipts + treasury Fiat/stablecoin/cryptocurrency buyback rails Budgeted top-ups, quotas, epochs
Web4 Trajectory	Web3 social graph portability	 Bridges Web2 → Web3 → Web4: tagging becomes authenticated financial settlement rail



Web4 Vision - the Next Internet Settlement Layer

Core Layer Features

- **Marketing returns** — reward loops for content discovery
- **Marketing signal** — C token recirculation from creators to viewers
- **Community tag ownership** — e.g. #food, #pet, #kpop
- **Forum & Decentralized court** — token-based dispute resolution

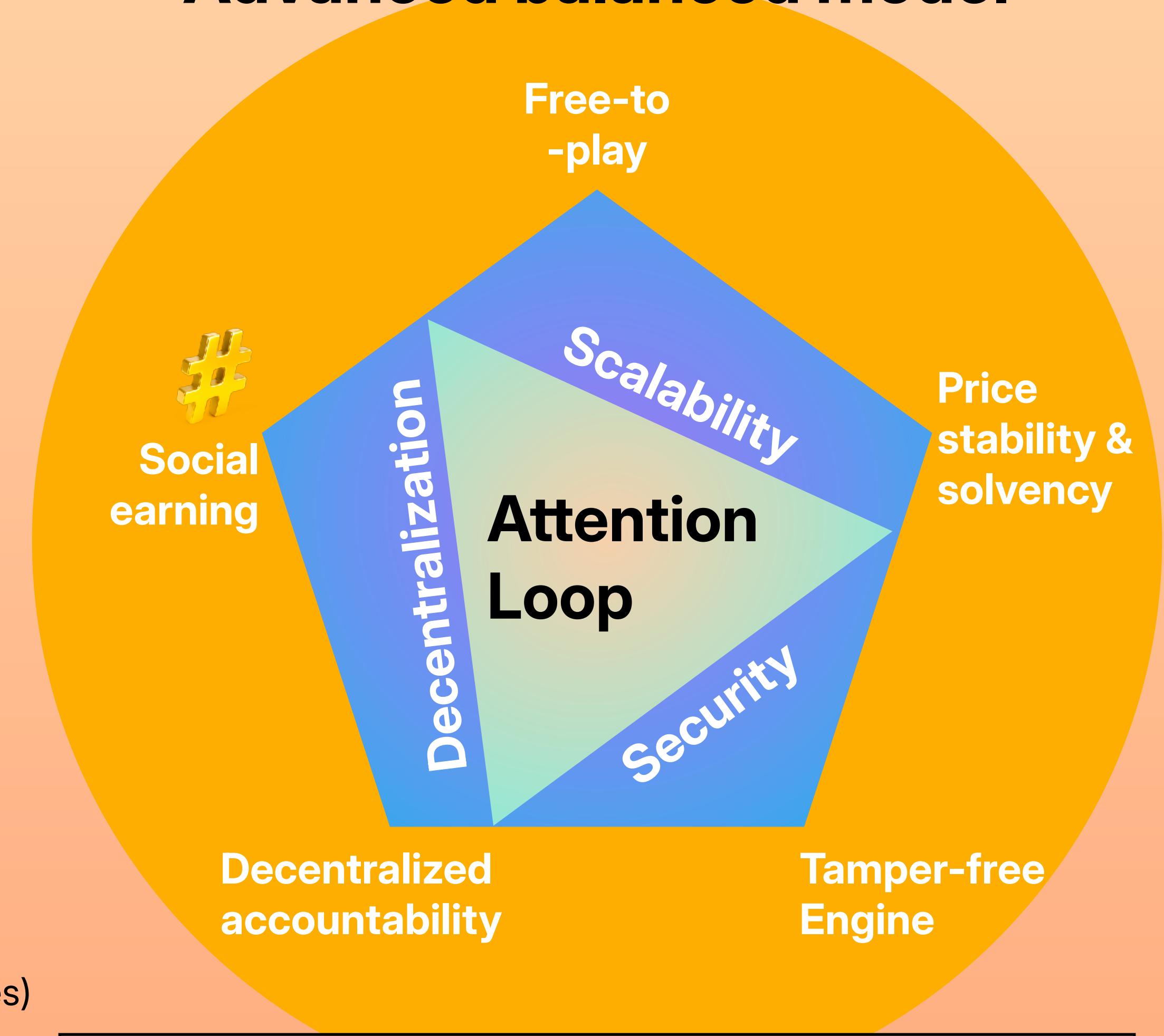
Marketplace Layer

- **R purchase quota** — based on the number of likes given and received
- **ID sale** — free for the first year
(users pay R tokens to obtain IDs, like domain names)
- **Financial services** — e.g. crowdfunding with C tokens as collaterals

Ecosystem Layer

- **Interoperability** — users can tag their Google reviews (→ Google earns royalties)
- **RWA** — users can tag assets to prove authenticity and market them

— Advanced balanced model —



Craters turns user attention into a financial settlement rail balancing scalability, price stability, and decentralization

Financial Projections & Funding Ask

Revenue streams:

1. **ID sales** — a primary early cashflow
Before prototype: accept ID reservations
(Sunrise for verified brands; first-year standard IDs free)
2. **R quota sales** — users purchase R credits tied to their like/tag activity for post boosts & services
3. **Ads & boosts (incl. product-placement fees)**
— campaigns become signals on Craters → higher engagement & ROI
4. **Premium services**
— e.g., long-video storage, advanced analytics, paid in R credits

B.E.P. scenarios (illustrative, inputs shown—not guidance)

A. Upside — ID launch + theme-conquest buzz

- ID sales + C-airdrop decay drive FOMO;
users spend R credits to boost; advertisers follow

B. Moderate — steady growth

- Tagging friends/artists; ID sales moderate; theme buzz present but messy

C. Needs push — marketing-led

- Increase curator bounties/VR filters; expand partner campaigns

(Inputs to show in footnote: MAU, % buyers of premium IDs, ARPPU for R credits, ads RPM)

Total equity raise goal (Pre-seed)

Near-term (rolling SAFE): \$1.0–\$1.5M anchor

Use of funds (6–8 mo runway): hire 3 senior devs to deliver prototype (3 mo) and lock architecture; then expand to 4–6 devs to build MVP (~9 mo total) and run open-alpha cohorts

Full pre-seed close: \$3M

*(stretch \$4M with anchor + grants + prototype traction)
Use of funds: expand team to 10–12, run POC → 1k users, turn on ID sales & R-quota purchase, 18-mo runway with marketing*

Valuation guidance: \$18–\$25M cap

(infra-grade with consumer distribution upside)

If pushback, close the anchor at low end and step up post-MVP

Grants stack strategy

- **Target \$200k–\$450k to MVP** via 5–8 programs
(anchor program, stablecoin/payments ecosystem, chain-agnostic “build,” hackathon/prize bounties)
- **Stay chain-agnostic:** offer post-MVP integration;
let chains bid → bigger cheques



Jieun | Founder Architect & Project Manager

- Architecture, tokenomics, roadmap
- PRDs, experiments, fundraising
- Hiring & cross-role coordination



CIO | Security & Architecture *(to hire)*

- System integrity, key management, data governance
- Compliance-by-design (KYC, audit logs, treasury segregation)
- Incident response & DR drills



CTO | Engine & Economics *(to hire)*

- Receipt Engine & hash-chained receipts
- Pricing board algorithms (epochs, quotas, buybacks)
- Treasury interfaces; spec/param contracts & sims



Head of Engineering | Platform & Delivery *(to hire)*

- API, wallet, platform services
- DevOps/CI-CD, observability, cost-controls
- Transparency exports; feature-flagged releases (50→1k→10k)



Community & Marketing Manager *(to hire)*

- ID reservations/**Sunrise**, partner/creator bounties, PoC cohorts
- Growth reporting (activation, boost conversion, ID→paid)
- Comms for transparency updates & launches

Tech Team

Architecture is done; funding slots CIO (security/compliance), CTO (engine/pricing), and Head of Eng (delivery) plus a marketing lead for IDs/cohorts. Two-key controls and runbooks keep Craters resilient even if a lead is out

Controls & Resilience

Two-key approvals on pricing/treasury (**CIO + CTO**)

Releases via **Head of Eng.** with featureflags
Codeowners, weekly handovers,
quarterly DR drills

Team expansion plan according to funding status