# **VRE**: Virtual Reality Economics

# A Community-Governed Economic Framework & Governance Model for Web3 Resource Distribution & Decentralized Value Creation v0.6.13

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#### Abstract:

This paper proposes a solution for the flow of resources in the creator sector, a better way to distribute resources and manage daily transactions and deal making between stakeholders, to decentralize power and decision making for all stakeholders. When in place, this architecture will allow a complete and transparent way of doing business, as well as a clear incentives program, based 100% on contracts in the Solana Blockchain, thus providing interoperability between these 3 main aspects: deal making, payment, and traction. The base focus of the platform is to make a decentralized ecosystem, meaning at some point we will let it exist on its own with no middlemen or "dictator". In this solution we will provide a way for investors to invest in creators, for advertisers to market their products or services, for agencies to contact creators and make deals, for investors to own the platform, make changes, distribute earnings, vote, as well as for viewers and buyers to have confidence with validator badges and tiers for creators.

VRE introduces a revolutionary "many-to-many-to-many" economic model that enables unprecedented transparency, automated governance, and sustainable value creation across multiple interconnected functionalities. Unlike traditional platforms that offer single-purpose services, VRE combines content creation,

marketplace transactions, investment opportunities, development incentives, and decentralized dispute resolution into one unified ecosystem. The platform's unique value proposition includes validated creator credentials through optional wallet balance display, cryptographically verified content through native camera applications, code ownership NFTs for developers, creator investment opportunities, and an open-source legal framework for Web3 dispute resolution that other platforms can adopt.

#### I. Introduction

This paper is an abstraction of the implementation we are building. The architecture and redesign of the resource flow will enable a new economic model that will restructure power in the creator industry that will enable a more sustainable, rich and prosperous interaction between all stakeholders. Current models allow only one-to-many interactions or many-to-one-to-many interactions in terms of the resource flow. We are disrupting this economic model and making a many-to-many-to-many resource flow implementation.

Economic Model Innovation: The creator economy currently operates under fundamentally different economic models that concentrate power in centralized platforms while limiting stakeholder participation to singlefunction roles. Traditional platforms enable only "one-to-many" interactions (single creator to many viewers) or "many-to-one-to-many" flows (many creators through one platform to many consumers). VRE disrupts this model by implementing a "many-to-many" resource flow architecture where stakeholders can simultaneously participate in multiple ecosystem functions. Unlike YouTube, which offers only video hosting and advertising services, VRE provides multiple interconnected functionalities: content creation, marketplace transactions, investment opportunities, development incentives, governance participation, and dispute resolution services. This revolutionary approach enables users to "wear multiple hats" within the same ecosystem—simultaneously creating content, investing in other creators, developing platform features, participating in governance decisions, and engaging in marketplace transactions. The result is a more sustainable, prosperous, and equitable distribution of value among all participants.

#### II. Outline:

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# 1. Stakeholder Map - Venn Diagram

As shown in Figure 1, all stakeholders will be able to participate in any other function of the ecosystem. As in real life you can buy groceries in the supermarket, you can grow your own lettuce in your back yard, you can shoot a video and watch a video, you can invest in stocks and have investors for your bakery. The core difference as shown in this analogy is that if you wish, you will be able to be an active part in each function of the ecosystem because of the native nature of the WEB 3.0 infrastructure. So if you want to create a new feature in the platform, or if you want to invest in a creator or simply vote for a change in the resource distribution, you are most welcome. In VRE you can wear all hats.

#### Stakeholder Map - Venn Diagram

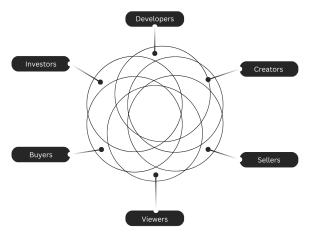


Figure 1

Universal Participation Model: In VRE, artificial barriers between stakeholder types are eliminated. Any participant can engage in multiple ecosystem functions simultaneously: Creator + Investor + Voter (Create content while investing in other creators and participating in governance decisions), Developer + Creator + Marketplace Seller (Build platform features while creating content and selling products), Viewer + Advertiser + Developer (Consume content while marketing products and contributing code).

### Stakeholder Types Overview:

- Creators: Content producers who can receive investments, set their own valuations, and participate in revenue sharing
- **Investors**: Provide capital to creators and developers in exchange for revenue shares via NFT smart contracts
- **Developers**: Build platform features and earn ongoing royalties each time their code is executed
- **Advertisers**: Market products and services through integrated advertising and sponsorship mechanisms
- **Viewers/Buyers**: Consume content and purchase products while optionally participating in other ecosystem functions
- Collaborators: Facilitate connections and deal-making between other stakeholders
- Voters: All VRE token holders who participate in governance and resource allocation decisions

#### 2. Ecosystem Resource Flow Architecture:

As shown in Figure 2, we have resource inputs in the VRE ecosystem meaning all the ways VRE will have a positive resource flow, as well as resource outputs that will have negative resource flow. Take into consideration that we will have outputs such as software development and infrastructure that will be self-maintained by the VRE ecosystem, creating a real self-sustained Virtual Reality Economics Model. Remember that in the VRE ecosystem you can wear all the hats, just one, or what you choose to do and invest time and resources. If you are interested in software development but also want to invest in a creator and in the VRE ecosystem itself, you will be wearing 3 hats. In this model we understand that VRE will make money by the commission from selling a course, or renting a course or on membership for a specific channel. VRE will also

take the role of an intermediary when outputting resources for sellers, creators and others, where most of the money will go to them. It's important to mention in this section that because VRE is in its nature a decentralized ecosystem, the percentages of all this calculation, in the balance of payment to contributors or sellers and the amount of commission VRE will get, will be completely up to the stakeholders, holding no dictatorship-like decisions. Later we will deep dive into the voting mechanism and its uniqueness. It's important to remember that we will be building all this in smart contracts for a seamless and trustless flow of decision making.

#### Simplified - Ecosystem Resource Flow



Figure 2

Technical Architecture: The blockchain infrastructure operates on Solana for high-speed, low-cost transactions with automated execution of all revenue sharing, investments, and governance decisions using SPL tokens for VRE governance token and all ecosystem transactions. Key technical components include NFT Smart Contracts that automate investor revenue sharing and code ownership royalties, a Governance Portal for decentralized voting system for all platform decisions, Content Validation System for cryptographic verification of content authenticity, Developer Code Repository for on-chain storage and execution tracking for royalty payments, and the Dispute Resolution Framework providing open-source legal protocols for Web3 business disputes.

#### Resource Flow Details:

- Resource Inputs: User subscription fees, Course and content sales, Marketplace transactions, Creator investments, Developer investments, Advertising spend, Platform governance fees - Resource Outputs: Creator revenue shares, Developer royalty payments, Investor returns, Platform operations, Fund allocations (Development, Adoption, Marketing, Reserve)

Interoperability: VRE's technical architecture enables integration with external platforms, particularly the dispute resolution and governance frameworks, creating additional revenue streams while strengthening the broader Web3 ecosystem.

### 3. The Virtual Reality Economics (VRE) Model:

In this section we will dive into the details of the resource flow, in some degree of detail. In figure 3 below, we have the stakeholders in black ovals, in rounded corner white squares we have percentages or amounts in different crypto tokens, the main central VRE Ecosystem in the middle. We have green lines denoting investment, blue lines denoting revenue sharing, black lines are the input and output resources of the VRE Ecosystem itself, and dotted lines show indirect relationships.

In figure 3 we can see only a percentage of the resource flow architecture VRE will have. I decided to show this as an example of a detailed architecture, so we can understand an example flow between some of the total amount of stakeholders in the VRE Ecosystem. This specific part of the architecture is taking these stakeholders, their roles and flows respectively:

- User: In this case the user is watching videos in a channel they subscribed to for 10 USDT a month. This user is inputting 10 USDT to VRE.
- Creator: The creator of the channel that the user registered gets 8.5 USD from the subscription and has a 40 SOL investment input from an investor (see the green line) and also automatically has revenue share of 10% of the revenue in the creator's channel that goes to the investor via an NFT Smart Contract (see the blue line).
- Investor in Creator: This investor has invested in a creator that he believes in, likes his content and wants to help the channel grow. In this contract he spent 40 SOL to buy 10% of the revenue generated by the channel in a 400 SOL valuation, and will get for life 10% of the channel's revenue in return. A creator can have many investors and an

investor can invest in many creators. Remember all the contracts will be on chain so it will be a secure, automatic and trustless transaction.

- **Developer**: In this case like the creator, the developer has a contract with an investor denoted with the green and blue lines, of 15%. In the blue line we can see the investor getting his revenue share from the NFT smart contract and in green the investment of 30 SOL received by the developer. The developer also receives revenue from the VRE Eco when the system uses his code, stored as an NFT smart contract, and one distinction between a creator and a developer is that in the first stages of the development, developers will receive development incentives from the VRE Dev Fund to make the platform a reality. Important note is that we also have a VRE Adoption Fund so we can also give incentives to Creators, but this will be a decision made by voters in the consensus protocol (more on that later).
- Investors in Developers: As we have investors for creators, we also have investors for Developers. This means because we will have revenue share each time a certain developer's code is executed by the VRE system, let's say a payment mechanism, a contract algorithm, an image compression protocol or any other code (as we will mention later, see the section "A Word to Developers" to better understand), they will get revenue and then also their investor will get his percentage of this revenue, in this case 15%. It's good in this section to remember that everything will be on chain and transparent and automatic, so every stakeholder will get their piece of the pie exactly as settled in the NFT contract, as always seamless, automatic and trustless.
- **Return to Funds**: the VRE ecosystem will also have a return to funds portion in the architecture. This will allow the VRE Pool (meaning the input resources) to be correctly distributed by the community in different funds, like the Dev Funds for new development, like the Adoption Fund for getting users, creators, contributors etc... and the VRE Reserve that will allow the VRE token to go up in value and have more resources for future operations.
- The VRE Investor: In this model has an indirect link to the VRE Eco, because his gains are from speculation about what the Ecosystem will be in the future and how the Token will increase in price, but also a direct relation that will be what percentage of the VRE resource input minus output, will be assigned to the VRE Reserve to rebuy VRE

tokens from the public, this way creating a real tangible increment in value for all VRE stakeholders.

**Reinvestment**: In the VRE Eco we have assigned some wallets to be used for specific areas of the ecosystem. This includes the VRE Adoption Fund, the Marketing Fund, the Dev Fund, the Reserve and many more. The idea is that part of the revenue meaning resource input minus resource output will have a number that will stay in VRE. In this case we are making a "return on investment" of 12% of the remaining margin to the VRE Adoption Fund (this will fire up adoption in the Eco), as well as 13% of the margin for the VRE Dev Fund (this as we mentioned earlier will be destined for Development purposes). In this example we also have an 11% that is reinvested in the Reserve (that will be buying VRE tokens from the public) and lastly in this example we have an orange line that goes from the VRE ECO to the VRE ECO meaning all the rest is for the perpetual operation of the ECO. It's important to remember that these percentages I added are just an example. These percentages in the beginning will be set by me and a couple more engineers and stakeholders (the team we will be at that point) but after we build the voting mechanism and the smart contracts for this specific part, these percentages will be voted by the stakeholders, as every other number or percentage in the VRE ECO, this way creating a real decentralized (VRE) Virtual Reality Economics Model.

An important aspects we didn't mention is that we will decide together with the voting platform, what projects we will be giving resources, how much and what will be the milestones for each project (always in a decentralized manner).

Revenue Model and Sustainability Proposal (Example): The commission structure includes Creator Subscriptions (10% commission to VRE, 90% to creators), Course Sales (8% commission to VRE, 92% to creators), Marketplace Transactions (5% commission to VRE, 95% to sellers), Investment Transactions (1% commission on creator/developer investments). Fund allocation is community governed with VRE Adoption Fund receiving 12% of net revenue for user and creator acquisition, Development Fund getting 13% of net revenue for platform development incentives, VRE Reserve taking 11% of net revenue for token buybacks and future operations, and remaining percentage for platform maintenance and growth.

# **Ecosystem Resource Flow Architecture**

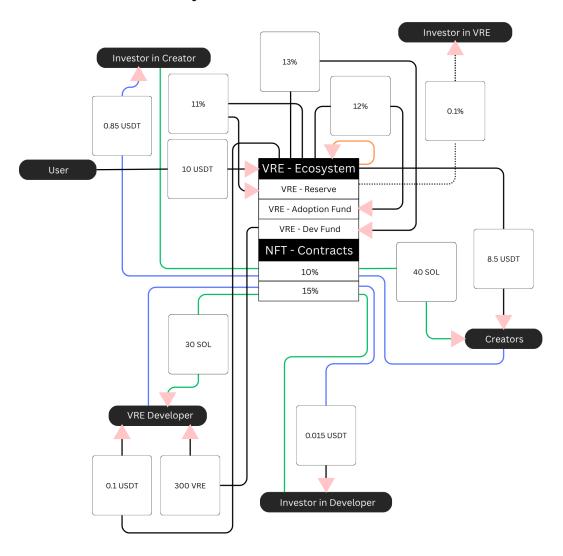


Figure 3

Multi-Stakeholder Transaction (Example): Consider this detailed flow: User subscribes to a creator channel for 10 USDT/month, Creator receives 9 USDT (90% after 10% VRE commission) plus has received 40 SOL investment from an investor for 10% lifetime revenue share, Creator Investor invested 40 SOL for 10% of channel revenue (400 SOL valuation), receives 0.9 USDT monthly from this subscription via automated NFT smart contract, Developer created video compression algorithm, receives royalties each time content is streamed plus has 15% revenue share with their investor (30 SOL investment), Developer Investor invested 30 SOL for 15% of developer's code royalties, automatically receives share via smart contract. All transactions are automated, trustless, and transparent through blockchain execution.

### 4. About the System:

The description in this white paper talks about an economic model, the VRE model, but this model will be implemented in various applications in the VRE ecosystem. Some of these will be crypto twitter mixed with YouTube, with escrow payments for creators, subscriptions, marketplace, mobile apps and more. In this document we will just explain briefly the concepts of the model and not the specifics of the apps themselves. This will be in more technical environments in these 4 documents in the near future:

Software Requirements Specification (SRS) Functional Specification Document (FSD) Application Requirements Document (ARD) Product Specification (or Product Spec)

I decided to create this platform to solve this 2 main factors, to have the platform I really want to use:

- a. Validated Creators
- b. Validated News content (with ownership)
- a. **Validated Creators:** because I want to follow and consume content of validated creators. In my way of seeing this, there are two ways to validate content, based on the fact that there is no objective way to do it in regular social media. So for example a crypto influencer can talk and talk and talk, very nicely, sound like a real expert but really has only 3 SOL in

his account. And for me hearing his content though it is entertaining will not lead me to be my best self and improve if he is a lifestyle creator, or make money if he is an "investing guru". I want someone who maybe had 3 SOL and made it to 300 SOL or maybe someone that bought or has 300 SOL. This kind of validation is nonexistent in current social media and content distribution platforms. This is what I want to change. The other way of validating today in YouTube let's say, is to continue seeing their content and seeing their results in the long run, or seeing if their predictions were right or wrong. This takes time and filtering the creators I want to follow will be a real job...

Our System will have wallet login, and also next to your profile page you will have a description like normal social media pages but also, the way to display your validated crypto balance. Imagine you are selling a course on how to get rich and you own 5 SOL, but I'm not aware of it. How can I make a real business decision with no data available? In VRE you can buy a course and know (only based on Balance) that the "guru" is in fact a real Guru.

When writing this I came to the dilemma of growth for low balance creators, because how would they be able to get growth if they are validated and they own 1 SOL? I thought that we will let the market decide, because we will have the option to not show balance, so then they will be able to buy their way in (or sell) based on charm. But also I thought that letting people know you have 1 SOL and that now you are investing and making it to be 100 SOL, this will also be attractive for people starting that have 0 or 1 SOL and want to grow with you in your journey.

b. Validated news content (with ownership): We will explain this in more detail later in this document, but for now, I can say that part of my motivation for building this platform is the ability to consume validated news content. The two most important aspects are where the media was taken and when. This is crucial because I often find myself questioning whether a piece of news is real, current (from the past week or day), and not outdated. For example, if I see footage of a flood or a video of a specific person, I want to know that the water pouring down the canyon is actually from the location mentioned by the uploader, and not reused content with no real value to the viewer. Ownership will also be addressed, ensuring that the creator who truly owns the footage can be compensated.

When we have the whole Ecosystem up and running it will be like a refined clock running sustainably and being self-sufficient. This will make a real transaction hub or business hub for people. I see many people living off the VRE Eco in the future. Just imagine marketing and selling in the same platform, meaning a third person sells a product in the VRE platform, you are a creator, you choose this product without talking to the seller, and request to market it. Via the VRE business maker platform you get to a commercial agreement, the marketer presses ok in their dash, he escrows the money into the smart contract, you make the video and get the views the smart contract in your business agreement required, automatically VRE sends a release funds to the marketer. If there is no dispute, you have the money immediately, without talking to nobody, just the VRE as intermediary. The seller sells and sends the product (here we are also short circuiting the relationship seller -> marketer -> creator making it more like seller = marketer talks to creator, and you can even wear all 3 hats and be the seller, the marketer and creator and also smart contract other creators). I see in the future that creators who want to test a product will press "Test" on the seller's VRE page, and then escrow funds will be retained until the marketer/creator sends the product back (if it's expensive, for example an electric 6-SOL scooter). Then: shoot  $\rightarrow$  market → get your warranty back. This will also allow small creators to get great products for review, and who knows — maybe become famous!

You can say this is already being done, and you are right but everything is less automated and prone to human interactions going south. This way we all talk only to VRE and VRE will bring order (with preset rules decided by all of us). One important part of the VRE platform is if you want to be Involved in rule making. This for me is the most interesting part of all the Ecosystem, and one that will take time but will be very rewarding.

Multi-Application Ecosystem: VRE's economic model will be implemented across various interconnected applications: Content Platform ("Crypto Twitter + YouTube" hybrid with verified creators and transparent revenue sharing), Marketplace (Integrated e-commerce with creator product sales and affiliate marketing), Investment Portal (Creator and developer funding with automated revenue distribution), Governance Dashboard (Community voting and proposal management), Dispute Resolution Center (Legal framework for Web3 business conflicts), Mobile Applications (Native camera app for content verification and full ecosystem access). All applications share the same economic model, user identity, and governance structure, creating powerful network effects and reducing user acquisition costs across the ecosystem.

Content Validation System: Traditional social media lacks credibility verification, leading to misinformation, outdated content being presented as current, and unqualified individuals presenting themselves as experts. VRE's solution includes a VRE Camera Application (Native mobile app that records content with embedded metadata) featuring Cryptographic Hash (unique identifier that prevents tampering), GPS Coordinates (location verification for context-sensitive content), Timestamp (precise recording time to prevent outdated content misrepresentation), and Wallet Ownership (cryptographic proof of content creator identity). The Verification Status System distinguishes between Verified Content (recorded through VRE app with intact hash verification) and Default Content (uploaded from external sources or with tampered metadata). This system is particularly valuable for news reporting, financial advice, and time-sensitive content where authenticity and recency are crucial for viewer decision-making.

Creator Credibility Validation: Optional Wallet Balance Display allows creators to choose to display their cryptocurrency holdings to validate expertise. Financial advisors can prove their investment success, new creators can document their growth journey, privacy is maintained through optional disclosure, and there's no additional security risk since wallet balances are already public on blockchain explorers.

#### 5. The Break Even Point:

It's important to remember that at some point the VRE Eco will attain a certain level of maturity that will enable the whole system to operate sustainably. By this I mean that in the beginning there is no system, so we will need to pay Developers until they get a fair value for their time. This will mean, maybe we will pay them a combination of one time SOL payments and one time VRE tokens, until they get enough for renting (getting royalties) their code (to better understand what I mean see section "A word to developers" below). But at a moment in time, some years in the future, there will be no need for this type of one time payments because the "royalties" of the VRE system will be enough and even exceed a normal payment. In some cases this will be the model in other aspects of the ECO, where we need a push before break even. To better understand this break even point, we can see the example of Amazon.com. They had to spend internal resources to make shipping as fast and good as what it is right now, but let's say 10 years ago there was a small percentage of the traffic (meaning sales and deliveries to the same block

let's say) so they had to make the service equally good at the beginning not making money, until the system really worked but at scale, and when they arrived at the "break even point" they were at scale and everything worked exactly as planned maybe 10 or 15 years ago, meaning now the deliveries were cost effective because of the volume of sales.

Break-Even Economics: Similar to Amazon's scaling model, VRE will initially subsidize development and adoption costs until the ecosystem reaches sufficient scale for self-sustainability. As developer royalties and creator revenues grow, they create more value than they consume, ensuring long-term economic viability. The key is that value creation exceeds royalty payments, and caps ensure sustainability, just like YouTube creators can earn substantial amounts because they generate even more value for the platform.

#### 6. A bit about content in the VRE Ecosystem

The system will have the ability to rent content to others via NFTs. We will build an app that will let you validate on chain the time and location of the content. This will be very interesting in pieces of content that are news related. In my content consuming journey, I have come across many pieces of content that were relevant to me and changed my perspective of the current work I was doing or even aided my investment decision making, only to learn in a couple of weeks that those were old pieces of content or news not relevant today. I want VRE to have validated content. All content will be accepted in the platform, but each piece of content will have new on-chain pieces of data, denoting location, time and even ownership. This will come with some challenging development, because for this we will build the web app, and also the mobile apps needed to validate that a video was effectively taken by a certain wallet, a certain time, in a certain place. This data will be stored in a non-fungible manner on-chain, and we will develop features to rent your content in various ways, one of them being videos created by other people.

VRE will monetize AI generated content as well, as original creator content. Our premise for this is, if people watch your AI content they like what it tells them not necessarily how you made it.

Content Monetization Framework: The content rental system via NFTs creates new revenue streams for creators while ensuring authenticity. The cryptographic verification system prevents deepfakes and misinformation by embedding immutable proof of creation time, location, and ownership.

This creates a marketplace for verified, time-stamped, hashed content that maintains value and authenticity, particularly crucial for news, financial advice, and educational content where credibility and recency are essential for informed decision-making.

#### 7. A word to developers

It's important to note that VRE will enable code ownership for developments. This is very important for developers' economics, and I will explain why. In today's world developers make money by creating their own project let's say a SaaS and renting to users, or selling hours. In VRE we will enable pieces of code in various layers to be stored as NFTs meaning that each time the platform uses their code, they will get commissions. This way maintaining ownership of their code and not just selling hours, turning it like a content creator model, creating once and getting commissions when seen, here will be each time it's used. This way developers will have incentive to develop the platform if they choose to wear this hat.

Revolutionary Developer Economics: Traditional development models limit developers to hourly billing or creating independent SaaS products. VRE introduces a content creator model for developers where code becomes a recurring revenue asset. The Code NFT System includes Commissioned Development (VRE community votes on needed features and improvements), NFT Creation (committed code is tokenized as NFTs with embedded usage tracking), Royalty Automation (smart contracts automatically pay developers when their code executes), and Value-Based Compensation (developers earn based on the value they create such as cost savings and efficiency improvements).

Example Implementation: A developer creates a video streaming optimization algorithm: Before streaming costs 0.01 cents per video, After streaming costs 0.001 cents per video, Developer Revenue is 80% of cost savings (0.008 cents per video), VRE Revenue is 20% of cost savings (0.002 cents per video), with Payment automatic via smart contract on every video stream. This model incentivizes continuous platform improvement while ensuring developers maintain ownership of their intellectual property. All code usage is tracked on-chain, and royalty payments are automated through smart contracts, creating a sustainable revenue model that rewards innovation and value creation.

But wait a minute you are describing YouTube in a fancier way:

When writing this document I thought the same to myself, but when continuing my work I saw the depth of the ecosystem we are building and how it compares to no other. In this same time I thought, if you would build a better rocket than what we currently have in the market, your design will look at least 90% the same as previous rockets, but at the end, you, the engineers and all stakeholders will eventually understand the deep implications of creating an ecosystem like this from abstraction and bringing it to reality.

Competitive Differentiation: Existing Web3 creator platforms like Mirror (limited to decentralized publishing), Rally (focuses only on creator tokens), DeSo/BitClout (social networking without integrated marketplace or development incentives), and Lens Protocol (social graph infrastructure without economic model) lack VRE's comprehensive approach. VRE's unique positioning includes: Multi-Stakeholder Ecosystem (integrated creators, investors, developers, advertisers, and buyers), Content Validation System (cryptographic verification of authenticity and recency), Developer Code Ownership (NFT-based royalty system for platform development), Integrated Marketplace (e-commerce within creator ecosystem), Dispute Resolution Infrastructure (open-source legal framework for broader Web3 adoption), and Universal Participation Model (users can engage in multiple ecosystem functions simultaneously). The competitive moats include Network Effects (multi-function participation creates stronger user retention), Technical Infrastructure (advanced smart contract automation difficult to replicate), Legal Framework (first-mover advantage in decentralized dispute resolution), and Community Governance (democratic ownership model increases switching costs).

#### 8. Why will it work:

Today creators have one content (the same) for every platform they manage, X, YouTube, TikTok etc... they upload the same content and get different revenue streams from each. We will be one more stream but based on WEB 3.0 infrastructure. This matters because of the new economic model we are building, that will provide complete transparency in all aspects and also a nicer, more welcoming, warmer interaction between stakeholders.

Creator Adoption Strategy: Revenue Addition, Not Replacement means creators can maintain existing platforms while adding VRE as an additional revenue stream. Web3 Infrastructure Benefits provide transparency, automation, and new monetization models unavailable on traditional platforms. Community Ownership allows creators to participate in platform governance and revenue sharing.

Market Timing: Web3 Maturation shows infrastructure and user adoption reaching mainstream viability. Creator Economy Growth represents a \$100 plus billion market seeking better monetization and ownership models. Decentralization Demand reflects increasing desire for platform independence and transparent operations.

Technical Advantages: Solana Performance enables high throughput and low costs for complex automated transactions. Smart Contract Innovation provides automated revenue sharing and governance impossible on traditional platforms. Cryptographic Verification addresses content authentication concerns and growing misinformation problems.

#### 9. The Constitution (Foundational Golden Rules)

no +18 content no illegal activities

Foundational Rules (Immutable):

- 1. No Adult Content: Platform maintains family-friendly environment
- 2. No Terrorist Activities: Zero tolerance for violence promotion or coordination
  - 3. No Substance Abuse: Content promoting illegal drug use prohibited
  - 4. No Illegal Activities: All content must comply with applicable laws

Governance Evolution: All other rules, policies, and economic parameters can be modified through community governance, ensuring the platform evolves with stakeholder needs while maintaining core values.

#### 10. An Important Note of the ecosystem

Governance & Voting Mechanism: The Democratic Participation Framework includes Voting Power (1 VRE token = 1 vote), Proposal Threshold (minimum 100 VRE tokens required to submit proposals), Constituency Requirement (proposals need minimum 71 total votes yes or

no to be considered), and Quorum (more than 50% participation required for proposal passage). Governance Scope covers Revenue Distribution (voting on commission percentages and fund allocations), Platform Development (prioritizing features and approving developer projects), Content Moderation (community-driven content policy decisions), Dispute Resolution (establishing and updating legal frameworks), and Resource Management (allocation of Development, Adoption, Marketing, and Reserve funds). VRE will implement mechanisms to limit excessive influence from large token holders with specific implementation to be determined through community governance to address multi-wallet circumvention

# 11. Why we chose Solana

Secure, fast, cheap

Technical Requirements: High Throughput for complex multistakeholder transactions requiring fast processing, Low Costs for microtransactions for content consumption and royalty payments, Smart Contract Capability for automated revenue sharing and governance execution, and Ecosystem Maturity with established DeFi and NFT infrastructure for integration.

Solana Advantages: Performance with 65,000\* transactions per second capability, Cost Efficiency with sub-penny transaction fees enabling micro-royalty payments, Developer Ecosystem with robust tooling and established development community, and Interoperability with growing ecosystem of compatible protocols and applications.

# 12. What is this project really about

As described by a 5 year old, VRE is the son that would be born if Twitter, Etsy and YouTube had a baby in the Solana World

Project Vision: VRE represents the next evolution of the creator economy, moving beyond the limitations of traditional platforms to create a truly decentralized, transparent, and equitable ecosystem. By enabling multi-stakeholder participation, automated revenue sharing, and community governance, VRE addresses fundamental problems in current creator economy models while creating new opportunities for value creation and distribution. The platform's unique combination of content verification, developer incentives, creator investments, and dispute

resolution infrastructure positions VRE not just as a creator platform, but as fundamental infrastructure for the broader Web3 economy. As the creator economy continues to grow and mature, VRE provides the technological and economic framework necessary to support sustainable, transparent, and community-driven content creation and distribution for the decentralized future.

# 13. The voting consensus portal:

- For content moderation, and other decision making
- For development efforts
- For Resource management and investment

Dispute Resolution & Legal Framework: VRE's most groundbreaking innovation is the development of decentralized legal and dispute resolution mechanisms that extend beyond the platform itself. System Components include Community Law-Making (democratic creation and updating of platform rules and business standards), Automated Dispute Detection (smart contracts identify potential conflicts in transactions), Mediation Protocols (structured resolution processes for complex disputes), and Appeals Framework (multi-level review system for disputed decisions). External Platform Integration allows other Web3 platforms and traditional businesses to adopt VRE's dispute resolution framework, creating an additional revenue stream while establishing VRE as fundamental infrastructure for the decentralized economy. This legal framework positions VRE not just as a creator platform, but as essential infrastructure for Web3 business operations, creating significant barriers to entry for competitors.

External Revenue Streams: Dispute Resolution Services allow other Web3 platforms to utilize VRE's legal framework, Governance Infrastructure enables external organizations to adopt VRE's voting mechanisms, and Content Validation allows other platforms to integrate VRE's verification system.

# Glossary:

[1] Stakeholder: All the people that will have a benefit from the decentralized ecosystem. This includes: advertiser, creators, investors, viewers, sellers, buyers, marketers, Collaborator, voters, and more.

- Many-to-Many Model: Economic architecture enabling multiple types of stakeholders to interact across multiple platform functionalities, creating complex value flows impossible in traditional platforms.
- [3] Code NFT: Non-fungible token representing ownership of platform code with embedded usage tracking for automated royalty payments.
- [4] Creator Investment: Equity-like investment in creator revenue streams with automated distribution via smart contracts.
- [5] Content Validation: Cryptographic verification of content authenticity, timing, location, and ownership through blockchain integration.
- [6] VRE Token: Governance token providing voting rights and representing ownership stake in platform decisions and revenue distribution.
- Dispute Resolution Framework: Open-source legal infrastructure for resolving Web3 business conflicts, available to external platforms.

Remember anything in this White Paper might change because this is a decentralized Ecosystem, so anything the starting team DOES and SETS will be able to be changed in the future with voting

So now, let's get down from the clouds and set our feet on the ground

The first step in our development journey is "Crypto Twitter" to get to know each other and start the conversation and obviously we will have NFT native profile pictures:)

Let's start building!!!