

**THE**

**SPN STAKING**

**TOKEN ECONOMY**

# STAKING INTRODUCTION

## WHAT DOES IT MEAN TO "STAKE"?

Staking SPN tokens is fundamental to the Sapien Network Token economy. By staking SPN tokens, a user deposits their SPN into a smart contract on the Ethereum blockchain. These staked tokens provide access to various actions within the network such as posting or commenting with rewards, enabling incentive models, encouraging actions that align with the values of the community, discouraging manipulation and the creation of inappropriate content.

## WHY WOULD I PAY MONEY (STAKE) TO USE SAPIEN?

Staking is not equivalent to paying for access. Sapien does not acquire the tokens that you have staked. Rather, the tokens are locked securely on the Ethereum Blockchain and indicate that you are prepared to put something at stake to validate that you are a real person who cares about the wellbeing of the Sapien Network. This is how a tokenized social network can address the issues plaguing current Web 2.0 social networks like Twitter, Facebook, and Google.

## WHY STAKING IS NECESSARY?

To create a Proof of Value architecture that is capable of fighting fake news, there must be "something at stake" for all users in the Network. Staking tokens is also essential to stabilize the token economy. Without staking, the velocity of SPN tokens would be too high to maintain a stable and resilient network.

# THE SPN STAKING TOKEN ECONOMY

## THE EIGHT PILLARS OF SPN STAKING

- Access
- Reward Engine
- Premium Communities
- Marketplace
- Advertisement Platform
- Platform Capacity
- Proof Of Stake Validators
- Top Secret!

## HOW IT WORKS?

- To perform certain actions on the platform it will require the user to stake a certain amount of SPN
- In the following slides we will go into each pillar and show you how this works!
- Users, advertisers, businesses, brands, media outlets, validators and more can all stake SPN and participate in the token economy
- We will show you why staking SPN is beneficial for all parties

# THE SPN STAKING TOKEN ECONOMY

## PILLAR ONE: ACCESS

- This is the simplest form of SPN staking
- 100 SPN tokens gives you access to perform actions on and earn rewards the Sapien Network. Users can still use the platform in a “read-only” fashion if they do not stake.

## PILLAR TWO: REWARD ENGINE

- Sapien Rewards Engine is proportional to your staked tokens While 100 SPN tokens provides access to the Sapien Network, it does not unlock the full potential of rewards in the Sapien Network. To receive greater SPN rewards from the Sapien rewards engine, a user must stake more SPN tokens.
- Simply by staking, a user is eligible for the rewards engine and can receive SPN for their contribution to the platform.

# THE SPN STAKING TOKEN ECONOMY

## PILLAR THREE: PREMIUM COMMUNITIES

- Premium communities will require staked SPN to start. Premium communities have several advantages over normal communities including the following:
- Monetization of content via subscriptions, premium content, and boosted posts. Boosted posts allow a community creator to accept SPN tokens to increase the visibility of certain posts.
- Enable SPN Rewards through the Sapien token issuance pool. SPN rewards are only available to public communities.
- Enhanced Visibility on the Sapien platform in any “find more communities” sections and auctions for premium real estate on the application.
- This style of staking is perfect for businesses, brands, and influencers.
- Specific SPN amounts for this style of staking will be released in Q4.

# THE SPN STAKING TOKEN ECONOMY

## PILLAR FOUR: MARKETPLACE

- Reduced fees to those that stake more SPN tokens.
- Staking tokens also allows users to list more items in the marketplace.
- This style of staking is perfect for businesses, freelancers, and eCommerce businesses looking to list items and services in the Sapien Marketplace.
- Specific SPN amount for staking will be released in Q4.

## PILLAR FIVE: AD PLATFORM

- Users who stake more SPN tokens will receive a greater percentage of the ad revenue that they generate for Sapien.
- If a user opts into seeing advertisements, every time they see an ad they split the revenue generated from that advertisement 50/50 with Sapien.
- Users can stake SPN to receive up to 90% of the ad split.
- This style of staking is perfect for any users looking to monetize their data

# THE SPN STAKING TOKEN ECONOMY

## PILLAR SIX: PLATFORM CAPACITY

- Capacity in the Sapien Network is defined as the ability to perform an action that can affect the state of the token economy. Capacity is equal to the total amount of SPN tokens a user has staked. The more SPN a user has staked, the more activity they can do on the Sapien platform.

## PILLAR SEVEN: PROOF-OF-STAKE VALIDATORS

- The Sapien core team is looking into possibly migrating to Proof-of-Stake in the future. To become a validator in PoS, you must hold large amounts of SPN tokens, with your staked SPN tokens becoming your deposit.

# THE SPN STAKING TOKEN ECONOMY

## PILLAR EIGHT: TOP SECRET!

- A unique, smart contract implementation that Sapien will introduce to the world.
- We are working on an extremely innovative staking mechanism that will revolutionize the Web 3.0 social experience.
- The Sapien spin on a popular token economy solution.
- Q4 Release

# THE SPN STAKING TOKEN ECONOMY FAQ

THE 100 SPN MAY BE HARD FOR MAINSTREAM MEDIA. HOW CAN WE REDUCE THE BARRIER TO ENTRY FOR OTHERS ENTERING THE SAPIEN NETWORK?

- Signup can be framed as a user acquisition cost, and seeding accounts is essential to creating a mass market network that eliminates any barriers to entry. As described in the white paper, Sapien will be providing a small amount of staked SPN tokens to every user that signs up. This will be implemented once Sapien is prepared to scale to millions.
- As technology develops we plan on making staking as easy as sending a text message.

# THE SPN STAKING TOKEN ECONOMY FAQ

## HOW CAN I UNSTAKE SPN TOKENS?

- Staked tokens progressively unlock over the course of a year to ensure stability within the Sapien Network. Once unstaked tokens are available, a user has to simply go to their profile to request unstake. Withdrawal requests will be reviewed within 48 hours to ensure that the user isn't a bot or trying to exit the Network after posting inappropriate content. If the total staked drops below 100 SPN tokens, a user may lose access to Sapien.

## WHEN CAN I EXPECT TO SEE THESE STAKING IMPLEMENTATIONS LIVE?

- Soon.
- We expect majority of these staking implementations to be released in the next four to twelve months
- They will be released in parts and each will require a certain amount of SPN to execute!