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…The next generation digital currency exchange and trade platform

INTRODUCTION

To cut through some of the confusion surrounding bitcoin, we need to separate it into two components. On the one hand, you have bitcoin-the-token, a snippet of code that represents ownership of a digital concept - sort of like a virtual IOU. On the other hand, you have bitcoin-the-protocol, a distributed network that maintains a ledger of balances of bitcoin-the-token. Both are referred to as "bitcoin."

The system enables payments to be sent between users without passing through a central authority, such as a bank or payment gateway. It is created and held electronically. Bitcoins aren't printed, like dollars or euros - they're produced by computers all around the world, using free software.

It was the first example of what we today call cryptocurrencies, a growing asset class that shares some characteristics of traditional currencies, with verification based on cryptography.

LITTLE ABOUT CRYTOCURRENCY

The financial crisis of 2008 created a lack of confidence in the financial services industry: nothing was safe, not even traditional money, and especially not banks. **CRYPTOCURRENCY,** or digital currency, was a solution, and Bitcoin was the forefather. This new instrument was designed to be a hybrid of virtual money, digital asset, and technology; something the world had never encountered before now.

Cryptocurrency, is the newest asset class responsible for making overnight millionaires and Lamborghini owners, is changing the way we view wealth and contracts. **CRYPTOCURRENCY** is leaving nearly everyone with a fiat filled bank accounts left behind, as we move toward a world where money moves as fast as information.

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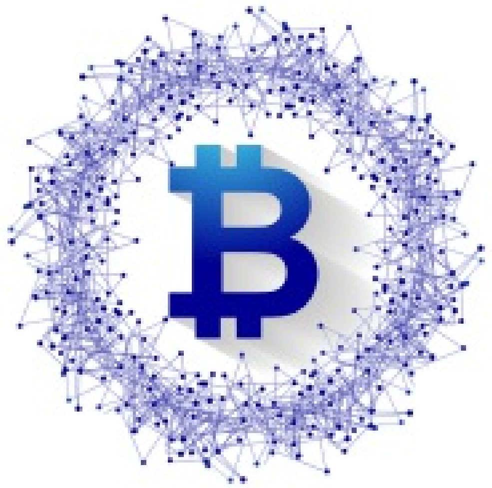
WHO CREATED IT?

A pseudonymous software developer going by the name of Satoshi Nakamoto proposed bitcoin in 2008, as an electronic payment system based on mathematical proof. The idea was to produce a means of exchange, independent of any central authority, that could be transferred electronically in a secure, verifiable and immutable way.



To this day, no-one knows who Satoshi Nakamoto really is.

In what ways is it different from traditional currencies?

Bitcoin can be used to pay for things electronically, if both parties are willing. In that sense, it's like conventional dollars, euros, or yen, which are also traded digitally

But it differs from fiat digital currencies in several important ways:

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DIFFERENCES BETWEEN BITCOIN AND FIAT DIGITAL CURRENCY

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1.DECENTRALIZATION

Bitcoin's most important characteristic is that it is decentralized. No single institution controls the bitcoin network. It is maintained by a group of volunteer coders, and run by an open network of dedicated computers spread around the world. This attracts individuals and groups that are uncomfortable with the control that banks or government institutions have over their money.

2. LIMITED SUPPLY

Fiat currencies (dollars, euros, yen, etc.) have an unlimited supply - central banks can issue as many as they want, and can attempt to manipulate a currency's value relative to others. Holders of the currency (and especially citizens with little alternative) bear the cost. With bitcoin, on the other hand, the supply is tightly controlled by the underlying algorithm. A small number of new bitcoins trickle out every hour, and will continue to do so at a diminishing rate until a maximum of 21 million has been reached. This makes bitcoin more attractive as an asset - in theory, if demand grows and the supply remains the same, the value will increase.

3. PSEUDONYMITY

While senders of traditional electronic payments are usually identified (for verification purposes, and to comply with anti-money laundering and other legislation), users of bitcoin in theory operate in semi-anonymity. Since there is no central "validator," users do not need to identify themselves when sending bitcoin to another user. When a transaction request is submitted, the protocol checks all previous transactions to confirm that the sender has the necessary bitcoin as well as the authority to send them. The system does not need to know his or her identity. In practice, each user is identified by the address of his or her wallet. Transactions can, with some effort, be tracked this way. Also, law enforcement has developed methods to identify users if necessary.

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4. IMMUTABILITY

Bitcoin transactions cannot be reversed, unlike electronic fiat transactions. This is because there is no central "adjudicator" that can say "ok, return the money." If a transaction is recorded on the network, and if more than an hour has passed, it is impossible to modify.
While this may disquiet some, it does mean that any transaction on the bitcoin network cannot be tampered with.

5. Divisibility

The smallest unit of a bitcoin is called a satoshi. It is one hundred millionth of a bitcoin (0.00000001) - at today's prices, about one hundredth of a cent. This could conceivably enable microtransactions that traditional electronic money cannot.