

# Dash

## Digital Cash

### 10 Stupid Things People Say About Dash (and How to Respond)

#### 1 DASH ISN'T DECENTRALIZED BECAUSE OF ITS MASTERNODES



There are over 4,500 masternodes, which makes Dash relatively more decentralized than other coins. Bitcoin has over 8,800 full nodes, but has a larger market cap. Bitcoin would have to have over 170,000 full nodes to achieve a similar level of decentralization as Dash. Masternodes are numerous because they are financially incentivized to serve the network, while Bitcoin nodes are not.

#### 2 THE GOVERNMENT COULD JUST BUY ALL THE MASTERNODES AND CONTROL THE NETWORK



Running a masternode requires putting forward collateral of 1,000 Dash. At a recent price of \$800, this represents a stake of \$800,000 per masternode. To buy half the masternodes at this price would cost \$1.8 billion dollars IF the price did not rise during the attack. However, trying to buy this much Dash in the face of limited supply could easily cause the price to increase 10x, making this a VERY expensive attack. This would be similar in nature to a 51% attack on Bitcoin mining – theoretically possible, but difficult and expensive.

#### 3 DASH PRICE IS ARTIFICIALLY ELEVATED BECAUSE SO MUCH IS "LOCKED UP" IN MASTERNODES



The collateral for each masternode is not locked up. The masternode can be taken offline and the Dash sold at any time. The ratio of the amount of Dash backing masternodes is probably similar to Bitcoin held in cold storage. The difference is that masternodes serve the network and get paid to do it!

#### 4 PRIVATESEND ISN'T PRIVATE BECAUSE MASTERNODES COULD SPY ON THE NETWORK



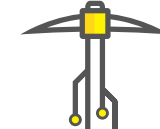
Masternodes are selected randomly in a PrivateSend mixing transaction and each coin is mixed on different masternodes multiple times before it can be spent via PrivateSend. Even if an attacker controlled 25% of the masternodes, the odds of tracking a transaction through 8 rounds of mixing is less than 0.004%.

#### 5 DASH HAS POOR PRIVACY BECAUSE PRIVATESEND TRANSACTIONS ARE NOT MANDATORY



Dash is fungible because it has optional mixing through PrivateSend (which has never been broken). If a merchant didn't want to accept mixed coins due to their unknown previous history, one could simply send them unmixed coins. Also, normal transactions are much smaller (in kb) than other private protocol transactions, so on-chain scaling is simpler. Dash offers the best combination of privacy, instant transactions and a clear road map for on-chain scaling that is unrivalled by any other coin.

#### 6 DASH IS AN INSTAMINE SCAM







There are often challenges when issuing a new coin. Dash had no premine and did not have an ICO. However, due to a problem with the mining difficulty adjustment, approximately 1.9 million Dash were mined in the first 24 hours – a “fastmine”. The community was asked if this should be corrected by hard fork, but it was decided to leave it as is.

A distribution analysis shows a large portion of the quickly mined coins were simply dumped by the miners. This is reflected in the very low price between February and April 2014. Again from April to December of 2015, Dash traded for around \$2 so it's hard to argue that no one had a chance to get in while it was cheap. Evan Duffield, Dash creator and the purported beneficiary of the instamine, controls no more than 256,000 Dash and will give away 80% of that to fund DAOs to support the community. He is still working hard on the project today. Evan also controls no masternodes or governance votes. For more information see the wiki entry on this topic at [www.dash.org](http://www.dash.org).

#### 7 IT'S A SCAM BECAUSE A HUGE AMOUNT OF DASH IS OWNED BY ONLY A FEW PEOPLE



Bitinfocharts.com Wealth Distribution statistics reveal Dash's distribution is similar to or better than other leading coins despite being newer and having had less time to become distributed. See the chart below.

Rich Addresses	Top 10	Top 100	Top 1000
 Dash	5.7%	15.8%	28.9%
 Bitcoin	5.6%	18.4%	34.9%
 Bitcoin Cash	9.2%	24.5%	44.4%
 Litecoin	14.2%	47.8%	64.9%

#### 8 DASH HAS FEW DEVELOPERS AND VERY LITTLE ACTIVITY ON GITHUB



The unique Dash treasury system currently pays 55 people (and growing very rapidly) to work full-time on the project, as well as several part-time people and contractors. See [www.dash.org/team](http://www.dash.org/team) for more information. The GitHub can sometimes appear to be relatively inactive because Dash Evolution is being developed in private repositories for competitive reasons. The code will be released and open-sourced together with the product.

#### 9 IT'S A PONZI SCHEME BECAUSE MASTERNODES EARN A RETURN ON THEIR INVESTMENT



Masternodes must reserve 1,000 Dash as collateral and serve the network by running robust full nodes. In return, they earn 45% of the block rewards paid out when new blocks are mined. This currently provides an annual return of approximately 8% to masternode owners. With most currencies, 100% of the block reward is paid to miners, who spend most of the block reward on electricity and mining hardware. The Dash block reward is split to support miners, masternode operators and developers, so that all critical parts of the ecosystem are financially incentivized to thrive.

#### 10 IT'S JUST A MARKETING GIMMICK



Dash is one of the largest innovators in the cryptocurrency space. It boasts unique features such as InstantSend, PrivateSend, a masternode governance system and the world's first functioning DAO. It does fund promotional activities because very few people in the world are familiar with cryptocurrencies. We want everyone to have the opportunity to benefit from their many advantages over fiat currency.

Dash's unique block reward system reserves 10% of the block reward to support development of the currency. Much of this is spent on the large number of full-time paid developers and a portion is also spent on promotional activities like conferences and marketing. This is an advantage that many newer currencies have copied from Dash.



Dash is a next generation cryptocurrency similar to Bitcoin, but with many improvements such as InstantSend, PrivateSend, financially incentivized masternodes and a decentralized self-funding governance system.

For more information, visit [www.dash.org](http://www.dash.org)