(E)UTxO

- Is very different from ether - it take some time more useful

> *extended Unspent transaction output*

Ethereum-style smart contracts

- When a transaction occurs on an account blockchain, the balance of the sender's account is directly decremented and that of the recipient is incremented, similar to how conventional bank accounts work.
- Contracts interact with these balances and run via the EVM (Ethereum Virtual Machine). The EVM can be thought of as a global on chain computer on which smart contracts take turns running, before their results are added to the chain.

The eUTxO model

- In the eUTxO model tokens are stored in UTxOs. A UTxO is like (electronic)-cash where each individual bundle of bills (Ada and native-tokens) is stored separately
- A transaction in the UTxO model takes one or more UTxOs as *transaction inputs*, which are destroyed, and creates one or more UTxOs as *transaction outputs*
- Transactions in an *account-based model*(Ether) mutate the data-points storing the total balances. This is very risky. In the UTxO model only the "bills" that participate in a given transaction can potentially be affected.
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