



SOVREIGN

THE BUSINESS CASE FOR BITCOIN



Executive summary (TL; DR)

Following World War II, world leaders established a fixed exchange rate for currencies in U.S. dollars, which could be redeemed for gold. This marked the demise of the British pound sterling's primary reserve currency status. Gold had consistently served as the most reliable store of value for over 6,000 years. However, after President Nixon abandoned the gold standard in 1971, a surge in interest rates followed, triggering a half-a-century-long bull market for bonds. As a result, the United States has accumulated crippling amounts of debt and liabilities. Addressing global challenges, such as increasing inequality and climate change, necessitates more debt financing, which further deepens the burden and eats away at the prosperity that debt-based systems fail to maintain.

In this light, bitcoin's use case emerges as a healing medicine to a derailing financial system, not only as a store of value for everyone but as a trojan horse for enforcing growth-attached, limited money supply expansion rather than politically motivated and crisis-justified monetary debasement.

As a business founder, it is your responsibility to keep up with technological development. It is your job to update employee workflows and adapt your corporation to the technology that your competitors take advantage of. Otherwise, competitors swiftly replace the companies that neglect making those changes. Being conservative in the business world is not always the most prudent way forward. The internet is perhaps the most compelling recent example of companies suffering due to failed adaptation.

Today, a shift of similar magnitude is happening: one of artificial intelligence and sound money. Reading this book is already a great first step toward updating your business to the new technological standard. Apart from the positive social and developmental impacts that businesses have on the world, their primary objective is to remain profitable. Failing to adapt to environmental changes eventually leads to being pushed out of business, either through competitor replacement or by simply being forgotten in the abyss of irrelevance. Money has changed only a couple of times before in human history. It evolved from bartering, through metals, to paper notes. Today, money is evolving towards a digital form, and we stand at a fork in the road: central bank digital currencies (CBDCs) or bitcoin (BTC). Even though both systems may feel like a duplication of today's digital marketplace, they both represent the emergence of an entirely new monetary system.

There is nothing that anyone can do to stop this bottom-up adoption trend. Governments will enforce the rollout of centrally controlled, fiat-extensive CBDCs, but the good news is that everyone has an equal chance to adopt digitally native, financially sovereign, energy-backed money and become their own bank through holding bitcoin as their savings vehicle. The implications of this paradigm shift are immense but may not be easy to adopt. This is why our company aims to help people navigate this transition,

providing a sustainable growth opportunity for us and a positive impact on human advancement throughout the world.

Sovereign's mission is to leverage our expertise to empower business owners integrating bitcoin into their financial operations, ensuring long-term value preservation and innovative growth. We bridge the gap between traditional finance and the future of decentralized currency, providing expert guidance and solutions through our network of pre-vetted companies and trusted partners. Our consulting approach is grounded in personalized service, thorough analysis, and actionable strategies. We believe in educating our clients, fostering long-term partnerships, and delivering measurable results. By leveraging insights from industry leaders, official agencies, and established publications on bitcoin business adoption, our clients stay informed with the latest developments. Keeping up with any technological innovation requires almost immediate adaptation in as little time as possible, which is exactly what we can save you at Sovereign: time.

Problems that result from monetary debasement have scoured businesses that had no choice but to try and raise prices or cut corners to decrease their expenses. Most of the time, this results in lower-quality services or smaller profit margins, both of which fight against the root essence of being in business. Bitcoin is a renewed vision of business, aligned with the interests of the many and the pursuit of sustainability while creating value. The discovery of bitcoin heralds a revolutionary approach to financial management for nascent enterprises and venture capitalists. By adopting bitcoin as the gold standard for evaluating investment performance, organizations can generate longer-lasting value by cultivating more judicious resource allocation strategies and sidestepping the perils associated with pursuing ephemeral growth indicators.

With a strategic bitcoin reserve, your business stands on a rock-solid foundation, and you are able to take a longer profitability timeframe, investing in the future instead of scrambling to stay above water in the present moment. Instead of valuing profit for the sake of profit, companies can secure earnings while innovating for the long haul of their vision, providing unparalleled value for the world and for businesses. This evolution of business promises to forge a new breed of enterprises, built upon more robust fiscal foundations and sounder objectives aligning not only with stakeholders' interests but also with meaningful innovation. This paradigm shift extends beyond mere asset diversification; it fundamentally restructures the way companies conceptualize fundraising, expenditure, and strategic planning.

Explaining how your business fits into this transition is the *raison d'être* of this book and our business at Sovereign. Integrating bitcoin into corporate reserves is a game-changing strategy that not only fortifies against fiat currency devaluation but also catalyzes a revolution in fiscal discipline across every organization. As bitcoin becomes the cornerstone of corporate treasury strategies, there will be a gradual transition from conventional fiat financial management toward models that prioritize enduring growth and wealth preservation. These new transition models will undoubtedly drive sustainable growth and

ensure robust wealth preservation, positioning forward-thinking businesses at the forefront of financial innovation.

While the undeniable benefits of this approach become increasingly clear, the wave of businesses transitioning away from outdated fiat-centric treasury management towards cutting-edge, bitcoin-oriented frameworks provides companies with an unparalleled chance of redefining their objectives. In the past, bitcoin seemed highly unconventional for corporate treasuries, but today it is proving to be a critical portfolio component for hedging against fiscal deficits, currency debasement, and geopolitical uncertainties.

Indeed, as corporate treasurers face unprecedented economic challenges, bitcoin's unique characteristics are a compelling solution for today's universal problem: a broken monetary system. Embracing bitcoin on corporate balance sheets represents a strategic initiative aimed at enhancing financial resilience and ensuring long-term stability. Businesses that do not aim for bitcoin-focused key performance indicators are likely to lag behind their competitors, as we are already witnessing through companies like MicroStrategy.

Bitcoin presents not only individuals but also businesses with unmatched access to sovereignty. However, even for agile executives, attaining a deep understanding of bitcoin and its significance for the future requires years of dedicated study and experience. This is why partnering with seasoned strategists can help businesses mitigate substantial risks and swiftly get ahead of the competition.

The purpose of this book is multifaceted. All while offering you the value proposition of our business, we will factually explain why bitcoin, as an appealing store of value, has garnered interest not only from institutional stakeholders ranging from retirement benefit funds, insurance firms, and fortune 500 companies, but also from national investment vehicles, pension funds, and even national governments. First, we will present business owners with the cold-blooded facts hiding underneath their feelings of pressure and the never-ending fight to simply stay above water that stem from the underlying issues with our current monetary environment. We will then introduce bitcoin as the viable solution to fix these problems for good, highlighting the critical need of revisiting your risk management strategies and considering the incorporation of bitcoin into your balance sheets to safeguard against volatile economic conditions.

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I - Your Business's Lifeblood: Money

A - Money's Problem

"Money solved the double coincidence of wants—the problem of requiring two people in a barter system to have precisely what the other wants at the same time. In a barter system, if you have apples and want bananas, you must find someone who not only has bananas but also wants your apples. This makes trading incredibly difficult. Money eliminates this issue by acting as one universal tool for trading."

—Joe Burnett, 2021

An obvious yet understated fact about money is that it concerns everyone. While most disregard money subjects by lack of personal interest or genuine fatigue, the notion of money within society is quintessential to living life in a non-self-sufficient way. Money is the lifeblood of civilization.

"Money is the most important good in any developed economy because it acts as the foundation for all trade and savings. Gold, the ancient and venerable precious metal, had served this role for millennia, but its physicality was an Achilles' heel that made it vulnerable to centralization, confiscation, and state attack. Gold's status as global money was eventually repealed during the twentieth century as the state came to dominate the issuance and management of money. With a desire to facilitate anonymous payments and to overcome the vulnerabilities of gold, cypherpunks hoped to develop a digital currency that would be immune to the coercive power of the state." — Boyapati, 2018

For much of the world's history, the value of exchange mediums was set in stone, in precious metals, or by none other than brute force. To protect the lives of citizens from barbarian attacks and foster great nations in modern times, most countries adopted fiat money, a type of money that would be redeemable from governments at any point in time. Since then, traditional money is dual, based on either cash or debt. The current financial system uses a blended system; even when we're using credit, we measure debt in the amount of cash it would take to settle it.

If there was no need for any medium of exchange required to satisfy the needs of individuals, there would be no use case for money. If all participants possessed complete knowledge of the specifics, timing, and venues for future transactions, every exchange could be meticulously orchestrated in advance, manifesting as straightforward, direct transactions between parties.

But human endeavors inherently involve uncertainty and risk. Unforeseen circumstances can arise at any moment, challenging expectations. If at any point, there is a mismatch between what one party desires and what another can offer, exchange cannot happen. Therefore, the absence of a "double coincidence of wants" effectively renders direct bartering impractical.

The challenge of barter economies, where direct exchange of goods is required, finds its resolution through the collective adoption of a perfectly resalable, optimal medium of exchange within economic frameworks. And thanks to human ingenuity, thousands of years of innovation, and technological progress, bitcoin now emerges as the preeminent choice for the role of money, given its unparalleled attributes as a monetary instrument far superior to debt-based alternatives. At the core of the modern issue with money lies the inevitability that when you create more of it, the existing supply becomes less valuable. This brings us to today, where money can be created in infinite amounts for free, infinitely debasing the currency's purchasing power and our economic lifeblood through inflation.

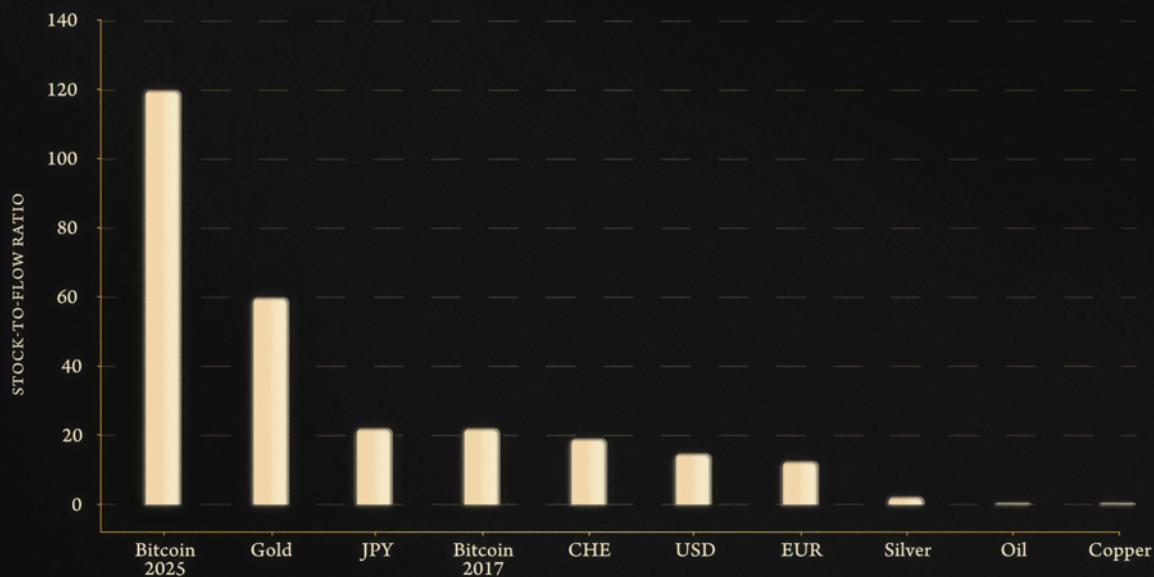
Saying that a business cannot function without money is an understatement. The very essence of a business is literally money. Without money, a business is a ghost with a shadow living on debt but without any life form. A business's failure to recognize the difference between "hard money" and "soft money" as a business results in it becoming a ghost company. Business owners cannot afford to avoid understanding the difference between hard money and soft money in their corporation. And the eye-opening reality is that most businesses are completely neglecting the dynamic that soft money plays in stunting business growth.

The main conceptual difference between hard money and soft money is how difficult it is to produce. What backs hard money is a real commodity (i.e. gold) that takes real effort to produce. Behind soft money (i.e. fiat) is void. A central bank can make a few keystrokes and have a trillion new dollars ready to enter circulation at a moment's notice.

We can understand money's hardness through understanding two distinct quantities related to the supply of a good: (1) the stock, which is its existing supply, consisting of everything that has been produced in the past, minus everything that has been consumed or destroyed; and (2) the flow, which is the extra production that will be made in the next time period. The ratio between the stock and flow is a reliable indicator of a good's hardness as money, and how well it is suited to playing a monetary role. A good that has a low stock-to-flow ratio is one whose existing supply can be increased drastically if people start using it as a store of value. Such a good would be unlikely to maintain value if chosen as a store of value.


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Total available global stockpiles divided by annual production



The higher the stock-to-flow ratio, the more likely a good is to maintain its value over time and thus be more saleable across time. If people choose a hard money with a high stock-to-flow ratio as a store of value, purchasing it to protect their wealth then increases demand, causing a rise in its price, which would incentivize its producers to make more of it. But because the flow is small compared to the existing supply, even a large increase in the new production is unlikely to depress the price significantly. On the other hand, if the main reason of being in business is to create value and that value is stored in soft money like cash, then the very lifeblood of the company is leaking over time. Holding cash reserves in a company treasury – beyond the cash needed for short-term operational expenses – is like lighting your reserves on fire. And with inflation, that fire is growing hotter and spreading faster with each passing year.

"If people chose to store their wealth in an easy money, with a low stock-to-flow ratio, it would be trivial for the producers of this good to create very large quantities of it that depress the price, devaluing the good, expropriating the wealth of the savers, and destroying the good's salability across time."

— Saifedean Ammous, 2018

The most important function of money was, is, and always will be to store value. This is only logical; if the money does not keep its value, all its other functions are irrelevant. Primitive forms of monies like salt, tobacco, seashells, silver, and paper currency share one common flaw, namely that they can be produced arbitrarily. As mentioned, if money can be produced easily, it falls under the soft money category. However, if it requires time, energy, or sacrifice of both, it's a harder form of money. Depending on how hard a money is to produce will depend on how hard it is physically considered.

Today's money is considered soft money for many reasons (which we'll investigate further), but mostly because it can be created at the press of a button. In one computer-mouse click, a central bank can instantly deposit a trillion dollars' worth of money into the economy. Such a number is almost impossible to comprehend it represents a thousand billion dollars, or a million one million dollars, all available at the press of a button. Society cannot function without money, not even in miniature circular economies unless those select few in which very specific sets of rules are imposed on individuals. But for a world comprising hundreds of countries, money is necessary. People worldwide may have radically opposed sets of beliefs and opinions about the world, philosophy, God, the creation of the universe –but one thing ties them all back together: money. The only requirement for money to fully work in a globalized world is that everyone has access to the same degree of hardness of it.

If money is hard only for a group of people and soft for another, that group of people will be tremendously advantaged compared to the other. Unfortunately, that is the case today. Most developing countries have soft money. And the less affluent within developed nations are stuck holding cash. They hold what little they own in paper coupons (or as numbers on a screen) of a soft money that can be created at the click of a button. On the other hand, the more affluent hold harder money in the form of assets, such as real estate, stocks, and commodities like gold. Though these assets are harder than soft money, however, does not mean they are inherently hard money. Hard money is commodity-backed money. A hard-money asset like gold served the role of a reserve asset and money for thousands of years.

The benefits of a hard money system are that economic value is created out of the production of value, which means that all value created is real in the economy; no exchange can be faked. Hard money is money that is not a government liability. For example, a precious metal like gold does not lose its value if governments default. Instead, its value increases due to its perceived stability and independence from

governmental affairs. Gold acts as a safe haven. This characteristic makes hard money like gold particularly attractive during times of economic uncertainty, when investors flock to gold to preserve their wealth when fiat currencies are under threat.

Unlike paper money, which central banks can print in unlimited quantities, hard money maintains its scarcity and intrinsic value. In essence, hard money offers a hedge against the risks associated with centralized financial systems. Whether safeguarding against hyperinflation, currency devaluation, or outright default, hard money serves as a reliable store of value that transcends government and institutional failures.

As you'll learn, to some extent, the world has never had real hard money, before bitcoin. The world had never had absolute mathematical scarcity, before bitcoin.

The world, throughout the entire history of civilization, has never experienced an asset whose supply was intentionally hard coded with a fixed supply for its holders and producers alike. The world has never had a money that could transfer value across time and space in a fraction of a second. And the world has never had a money that entirely sidesteps manipulation through debasement or confiscation.

B - Your Business's Greatest Threat: Inflation

"I do not think it is an exaggeration to say history is largely a history of inflation, usually inflations engineered by governments for the gain of governments."

— Friedrich Hayek, father of Austrian Economics

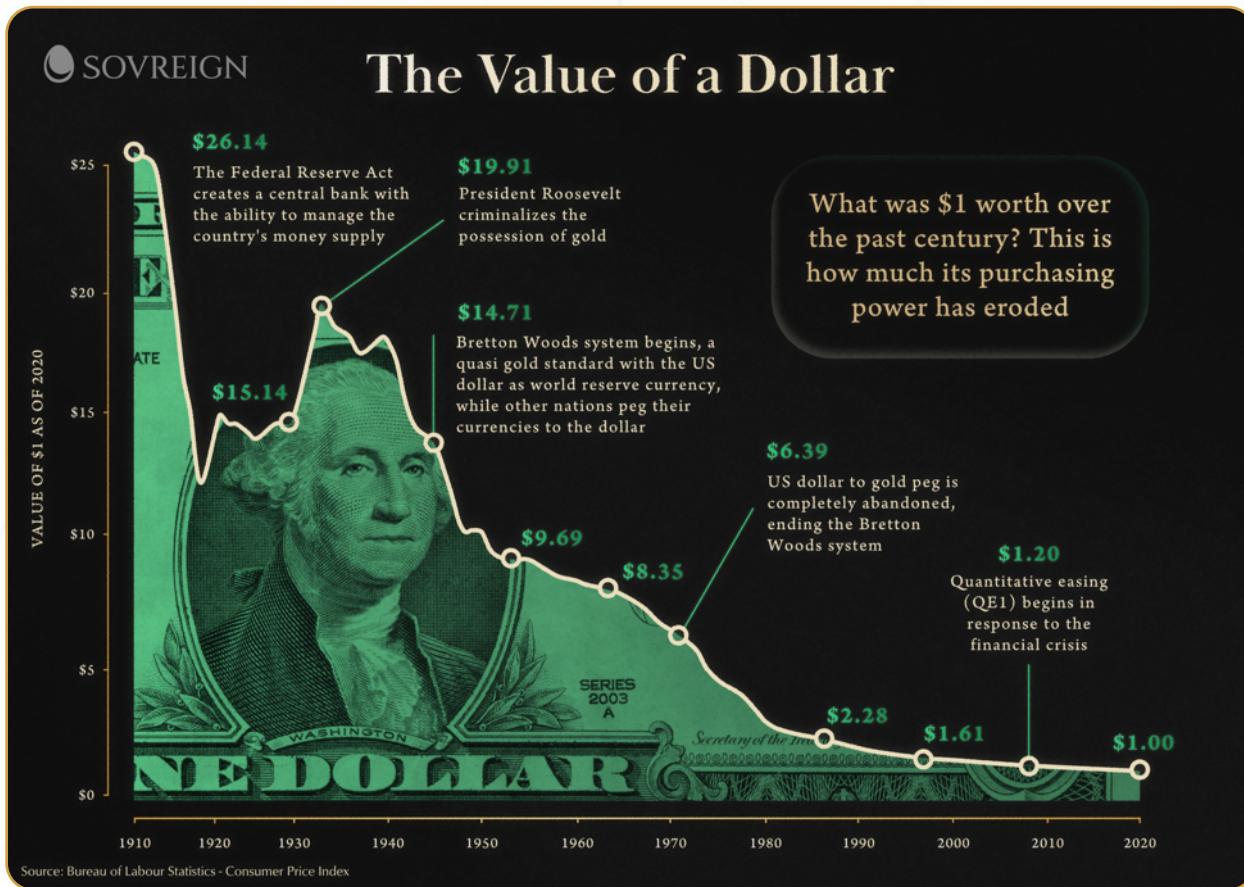


Image by Julie Bang / Investopedia, 2019

Inflation is a general increase in prices and a fall in the purchasing value of money. Its growth rate indicates how fast the cost of living is increasing. If you grow your savings by 6% and inflation is 2%, you get a net benefit of 4%. One might question why money is always associated with inflation, but there is no short answer. The conception of money as we know it today is inextricably linked to inflation. For any beginner in financial knowledge, the generally accepted school of thought is that inflation is good for the economy as it eases credit payback over time and allows borrowers to repay faster. That is what has been propagated for decades by economists and promoted by governments as the most practical solution to boost the economy and swiftly resolve crises. But while inflation has some short-term benefits, the long-term costs are far greater.

By diving into the history of inflation, one quickly notices that inflation is a short-term fix. It may bail out someone in the short run, but bestows negative consequences for everyone in the long run.

Imagine a game of Monopoly with each of the four players having \$100. If suddenly one of the players goes bankrupt and the bank gives him \$200 to sustain the player's presence in the game, this entitles the three other players to a smaller share of the properties in the game as their purchasing power is being dragged down by half. In the short term it saves one person, but in the long run it ruins the three other players. Not only is the "should-have-been-bankrupt" player encouraged to continue his risky behavior, but he indirectly creates inflation for everyone around him.



One of the most straightforward explanations of inflation is asset price inflation. It refers to the increase in price of assets, such as real estate, stocks, commodities etc. When there is high asset price inflation in an economy, asset holders are advantaged over individuals without any assets. Asset price inflation primarily benefits the wealthy for several reasons. First, the wealthy own more financial assets compared to the poor. Second, the wealthy can easily borrow money to buy shares that can be sold later for a profit. With lower interest rates due to credit easing, their profits from selling inflated assets increase. Asset price inflation from growing financial markets will benefit workers, managers, traders, and CEOs. CEOs will earn more as their companies' capitalization increases. This reinforces the strong correlation between asset prices and income inequality.

To add fuel to the disparity between asset holders and non-holders of assets, there are a set of compounding features like compounded interests for asset-holders and credit score lowering for borrowers unable to reimburse their debt. In *Broken Money*, published in 2023 by Lyn Alden, she argues that these financial disparities exhibit a self-reinforcing nature. Indebtedness and economic hardship tend to escalate, dragging individuals into an ever-deepening abyss of financial strain. Conversely, access to capital and affluence often beget further prosperity, propelling individuals towards increasingly elevated echelons of economic success. Hence, financial authorities reached a consensus on maintaining a target inflation rate of two percent, mimicking the average issuance rate of new gold, the historic hard asset benchmark, into its supply.

This economic policy effectively erodes approximately one-third of a currency's purchasing power over two decades. Should this rate increase to three percent, the erosion would accelerate, diminishing nearly half of the currency's value within the same timeframe.

How quickly your capital is evaporating is commonly referred to as the "half-life of money," which is the actual time it takes for any amount of money to lose half its economic value due to inflation. If you hold a million dollars for 100 years, with the dollar supply increasing by an average of say 7% annually, the value halves every ten years. Over a century, this reduces the million dollars to a mere \$1,000 in terms of purchasing power. This metric is hard to comprehend and even harder to accept. But in weaker currencies like the Argentinian peso for instance, this devaluation happens even faster, wiping out 99% of its purchasing power in just 20 years.

Sadly, the vast majority of people live in such volatile economic environments, which is why inflation in the long run is not an option for a prosperous world economy, and by extension, the reducing of wealth inequalities. Every year, as monetary energy leaks, inflation grows, and our debt follows as the interest payments on the debt owed increase year after year. Through inflation, some analysts argue that it is actually time itself that central banks nationalized. A money relying only on owed credit naturally implies that political and socio-economical tensions arise from debt lenders on debt creditors. The operating system logic of debt-money effectively creates domination mechanisms previously seen under colonialist ages.

This logic results in coercion from those who are at liberty of borrowing cheap money upon those who are not. This debt vicious circle self-aggravates in a debt-money system at the individual scale but also at the national scale. Through inflation, the economic system creates debt. That debt is the enemy of productivity and the enemy of increased standards of living for civilization because it devalues all pre-existing value of an economy. In this light, inflation is essentially debt monetization explained by the repurchasing of government debt by central banks. Central banks who buy government debt are essentially creating new money in the process to do so. That debt slows the economy and creates creditor parasites that live at the expense of the working class producing economic value. It is important

to understand how inflation creates debt which creates rising inequalities through uneven wealth and asset distribution.

A government can spend money as it seems fit, partially or fully knowing that it will not have to endure the consequences because the central bank will not allow it to fail and will eventually bail the government out, otherwise it would be the companies and individuals who would bear the costs. Instead of selling bonds to private investors or raising taxes which are the traditional direct financing methods, governments have increasingly depended on financing themselves through inexistent money supply, which indirectly raises taxes for everyone through inflation and rising expenses of everyday expenses.

C - The Paradox of Progress Yield

A paradigm shift represents a fundamental transformation in our understanding, compelling us to reconcile novel discoveries that challenge established wisdom. While some revelations emerge gradually, others manifest as profound breakthroughs that revolutionize human knowledge. Consider the historical revelation regarding Earth's spherical nature for example. It literally shattered the prevailing belief in a flat world bounded by treacherous edges where vessels might plummet into the void. The acceptance of our planet's true geometry necessitated a complete reconceptualization of navigation, cosmology, and human potential.

Similarly, the evolution of transportation illustrates another compelling paradigm shift. Humanity's journey from bipedal locomotion to the domestication of horses, the revolutionary invention of the wheel, and the subsequent development of motorized vehicles, railways, and ultimately aerospace technology has progressively compressed both time and space. This transformation has facilitated unprecedented human interaction, revolutionized commerce through efficient distribution of perishable goods, and enabled exploration of previously inaccessible frontiers. Contemporary society may yet witness equally transformative paradigm shifts that currently stretch the boundaries of our imagination.

Technological adoption usually follows an S-curve pattern, characterized by three distinct phases: initial sluggish uptake, explosive middle-stage growth, and eventual deceleration as market adoption approaches its ceiling. During the nascent phase, early adopters constitute a minimal user base, while peak saturation typically encompasses between half to nearly all potential users. Notably, contemporary innovation diffusion occurs at an unprecedented pace.

A stark contrast becomes evident when juxtaposing the century-long adoption trajectory of conventional telephone systems against the meteoric rise of mobile communications, which achieved widespread implementation within two decades. We now stand on the precipice of another phenomenal paradigm shift beginning: the upgrade of our monetary system. Normally, the technological progress of

innovations and discoveries would tend to draw down the cost of living. But a paradox of progress today is that the costs of living are not coming down as innovations bring more efficient ways of living.

In medieval times when a country needed wheat production for instance, laboring land and producing that wheat required a national effort of millions of humans constantly working together all year round. Today, the same output is yielded on a fraction of land with only a couple of farmers leveraging highly sophisticated machines. Production costs fall drastically, leaving much of the workforce that was previously required for farming free to enter other industries bringing additional value to society.

The same applies to every industry that money touches – which essentially is the entire world. Think of the first computer in the world, which needed a soccer-field sized facility, and cost hundreds of millions of dollars to produce. Today, nearly everyone has a computer in their pocket, and most households have at least moderate access to a computer, all produced at a mere fraction of the cost. However, because the world runs on unlimited money supply, prices still increase despite technological innovation increasing production efficiency. In a world with limited money supply, however, prices would decrease as technological innovations bring down production costs. Since the cost of production is lowering, competitive forces in the market prevent companies from raising prices to earn larger margins, and instead incentivize companies to maintain average profit margins and continue lowering prices to remain attractive to customers. As Jeff Booth argues in *The Price of Tomorrow*:

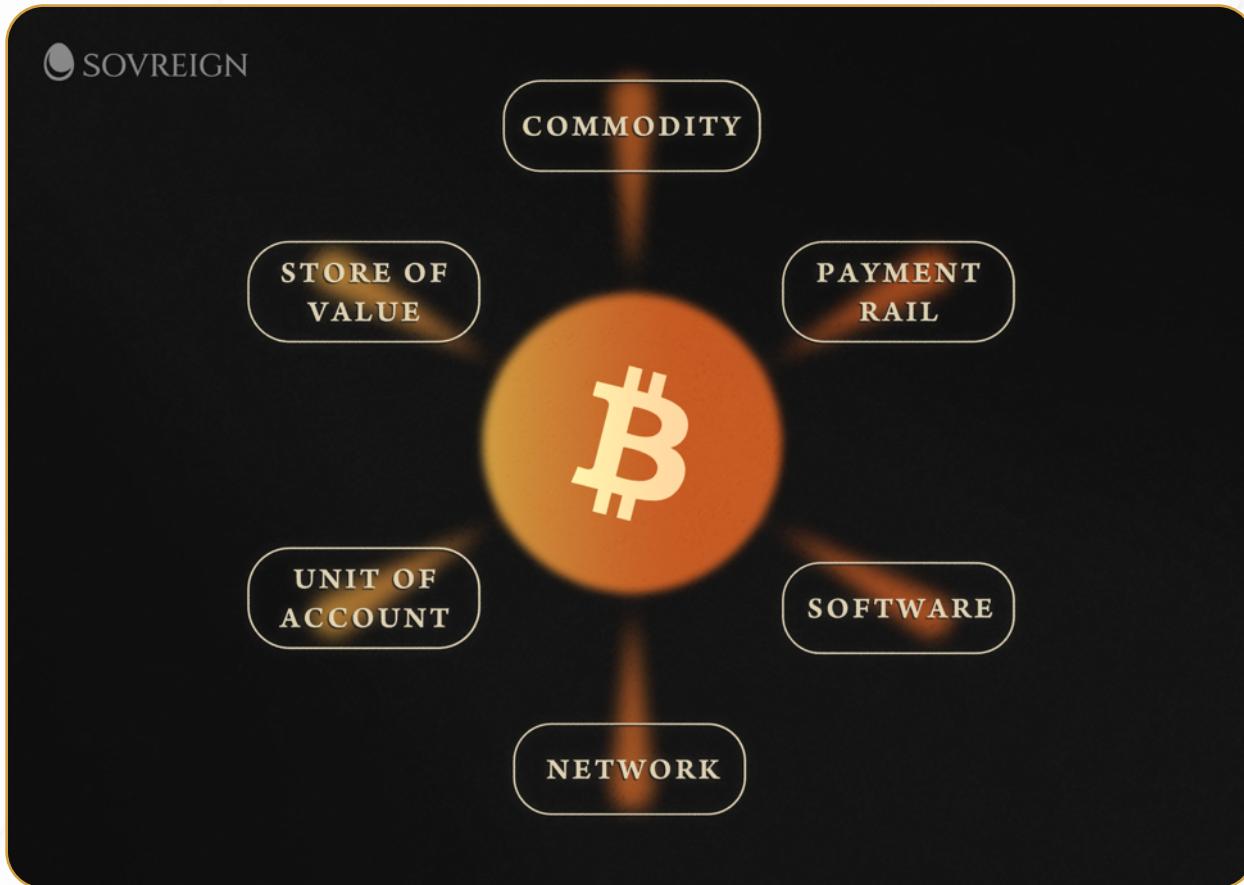
"Technology is profoundly deflationary. With abundance comes price deflation. This is simple supply-and-demand economics: the more abundant something is, the more likely it is that its price falls. We're now entering in an age of deflation unlike any the world has ever seen."

Hence, the paradox of modern times is that living standards continue to increase in a rapidly innovating world. It shows the stark disconnect between logic and reality, as logic implies that innovation should decrease costs of living, while the reality is that costs of living increase. As humanity excels in producing goods, services, knowledge, and financial assets, we realize our savings are ineffective. Everything we save can be continually produced or devalued by markets. Traditional saving methods, like dollars and real estate, are challenged by our increasing production capacity, which devalues these assets. These assets are essentially “bad money” compared to what?

The only rational explanation to this is the way money is shaped in our current monetary system, i.e. its supply is infinite, and more of it is created every time a moment of crisis justifies its creation. During the outbreak of the coronavirus pandemic, the global money supply was inflated by roughly 20-40% according to contrasting calculations. This dilution of the money supply independently from its real

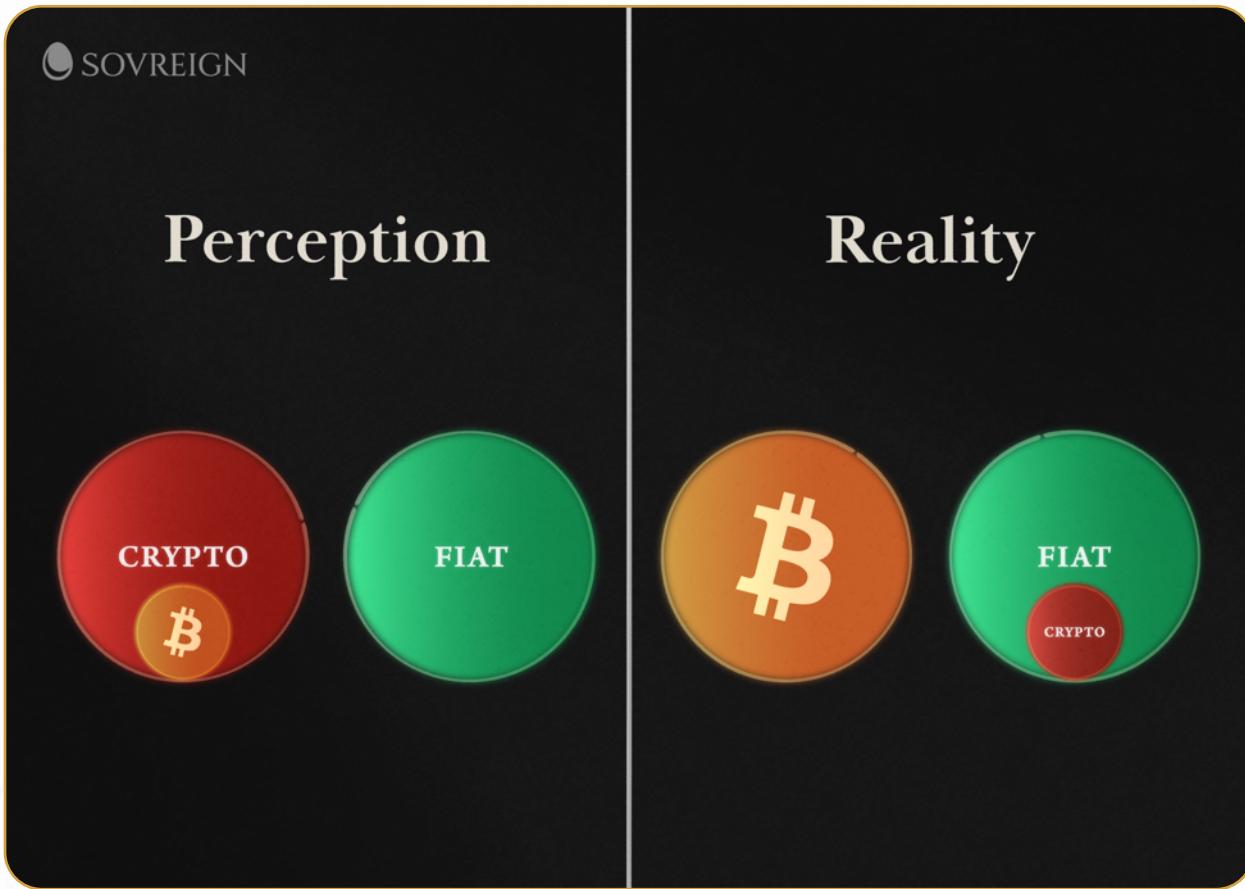
amount, which remains different from one calculus to another, effectively decreases the purchasing power for the entire planet. In the same period during the past five years, real estate, gold, stocks, and commodities collectively surged by a median 50%. Not to mention that real interest yields have turned negative as inflation rates have stayed above bond's yields for many months in this period. When measured in a scarce asset like bitcoin, the challenges to the long-term value of all asset classes become clearer, especially in an age of rapidly expanding production capabilities and global, interconnected, and highly competitive markets.

Even though your business may thrive and offer great progress for the world, that added value may well be siphoned by monetary dilution all together before it benefits humanity. Technological progress should yield more affordable healthcare, enhanced social welfare, and elevated living standards. However, persistent monetary depreciation undermines these potential advancements as the erosion of currency's value diminishes the inherent benefits of technological innovation. This systemic devaluation imposes mounting pressure on the economic landscape, particularly affecting enterprises through escalating material and operational expenses. Consequently, organizations transfer these financial strains onto their workforce, compelling employees to shoulder the concealed burden of monetary deterioration. The fiat system incentivizes organizations, associations, and enterprises to prioritize shareholder returns over the world's overall wealth, health, and wellbeing. It's unsurprising that organizations struggle to maintain positive workplace environments when faced with intensifying market competition and escalating operational expenses.



D - A Novel Money: Bitcoin

Many people still look at bitcoin as this “tulip mania” phase of the downward slope of a civilization running to its demise. For the people who have not taken the time to study bitcoin, the efforts towards a much-needed money upgrade look like an insignificant hobby. They still hear that crypto is but a symptom of a failing society, which is true, but to include bitcoin under the term crypto would be a complete misunderstanding. Yes, crypto is full of scams, thefts, and rug pulls, but beyond the noise is a new paradigm—a seismic societal shift happening at the international level, the upgrade of money.



Bitcoin answers directly to the failures of the traditional financial system. One might argue that the real problem with money was not well illustrated before the launch of bitcoin. One could study, value, or estimate the potential impact of asset inflation, bubble formation, the infusion of startling liquidity, and the eventual appearance of negative interest rates, but the evidence was missing. No economist could give a precise macro outlook and a proper estimation of the damages to the economy that fiat had created, as they were felt but not backed by reliable data. As an example of the unreliability of the data, one can look at the history of the consumer price index (CPI), whose calculation has been changed so many times that it's become practically useless for measuring the economy's real deterioration over the decades.

Someone who started their life in the early 20th century essentially became proprietary of their home by the time they married and could afford a family, pets, land, and vehicle on a single salary. In the early 21st century, however, someone who starts their life essentially pays off college debt until age 30 and contracts a mortgage of 30 years of debt to live in an apartment. This usually happens as a couple for a higher chance of being loaned the money for the apartment, and the first kids will eventually be affordable to raise around the time the couple turns 40 years old. This is not an isolated incident; this is essentially the life for billions of people worldwide and actually nothing but a dream for people in

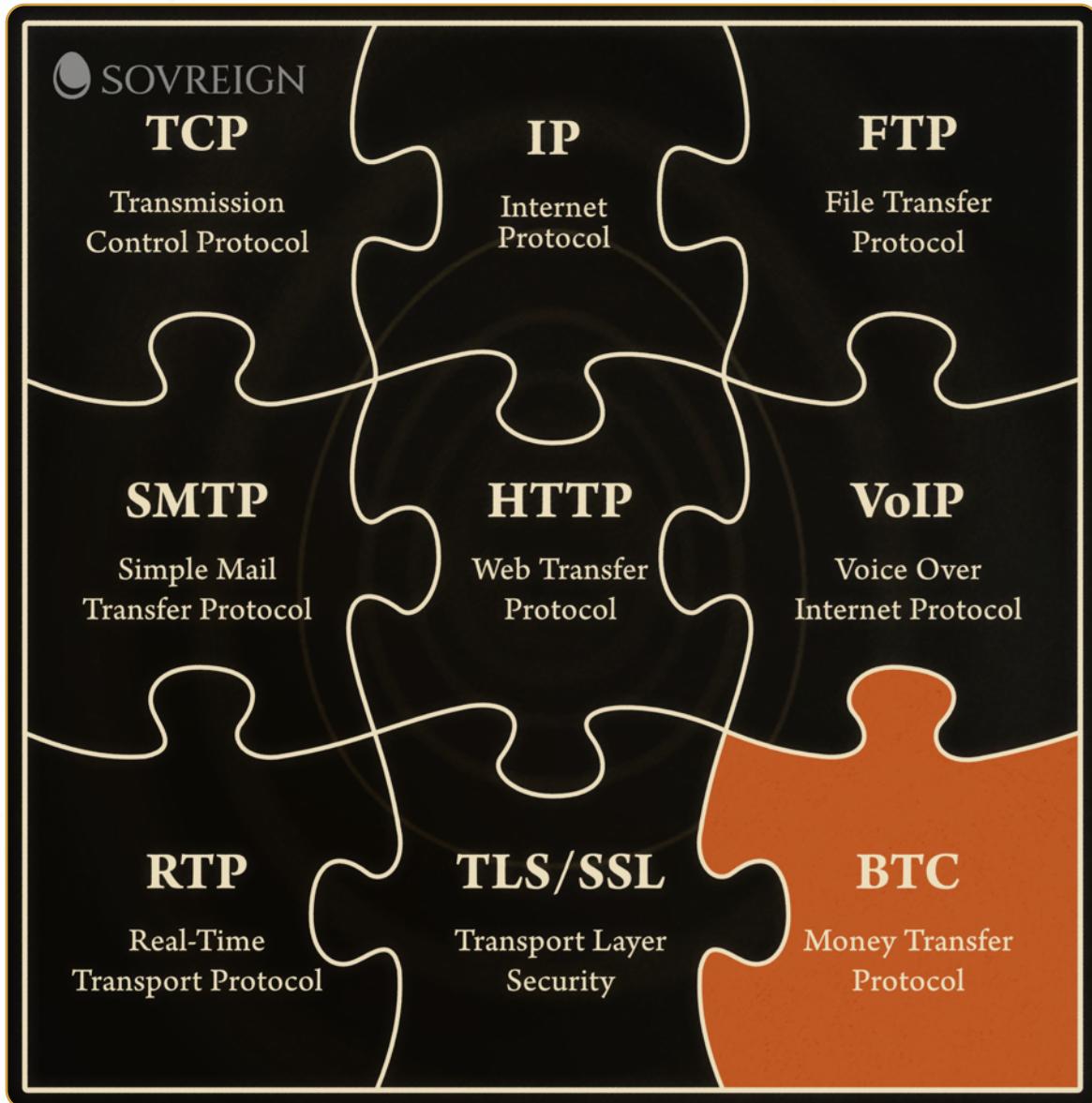
developing and developed nations alike. When the median mortgage duration was a couple of years up to 10 years in the early 20th century, people had the rest of their lives to work for leisure and do fulfilling activities. Today people must spend more and more of that time working towards the chance of having it. Put simply, the generational consequences of inflation are crushing worldwide.

Now that the median mortgage duration is around 30 years today, people generally tend to see the end of the road at a stage in their life when many things become too late to accomplish, including having kids, travelling, or doing other things that generally count as things that people regret not doing earlier on in their life. The psychological consequences of what the fiat system has done to the global population is beyond measure. Data to back it up is lacking, and it is generally quite controversial to write about, but the terrible consequences of what monetarily transpired in the past few decades are revealing themselves today. Beneath the surface of daily life lies a profound unease about our current economic reality—a discomfort that often eludes precise word articulation.

Bitcoiners worldwide contend that this fundamental disconnect between financial systems and people's everyday reality originates from the excessive power wielded by major financial institutions, as best described by G. Edward Griffin in *The Creature from Jekyll Island*, 2010. The symbiotic relationship between governmental bodies and banking establishments has resulted in a lack of accountability, allowing unchecked financial practices to persist. Along with a paid-for media presence that avoids focusing on these issues, it is in this context that bitcoin emerges, not as a mere digital currency that exacerbates fiat's problems but as a peaceful grassroots movement against the entrenched power structures of traditional finance and governmental abuse. As we move forward, the importance of understanding bitcoin and its underlying technology cannot be overstated. It represents not just a new form of quick-fix money but a long-term philosophy that promotes a new way of planning and managing money in an increasingly digital, interconnected world.

38% of adults worldwide have no access to traditional banking infrastructure. Billions of people can't enjoy the financial luxuries of today's modern world. By stark contrast to banking exclusivity, all that is required to participate in the bitcoin network is an internet connection and a digital wallet, democratizing access to global markets. This inclusivity has the potential to uplift millions of people, particularly in developing nations where financial exclusion is a significant barrier to economic growth.

The ongoing evolution of bitcoin and its adoption by both individuals and institutions will likely continue to shape the financial landscape for years to come. By removing the need for intermediaries, bitcoin aims to eliminate counterparty risk and provide individuals with greater control over their wealth. By removing the possibility of inflation completely, it solves the issue of soft money. This seismic shift in how we perceive and interact with money has profound implications for the future of finance. Adapting your savings account and your business treasury to ride the completion of the internet – its monetary layer – is but the basis of driving your business forward today.



"Bitcoin can be best understood as distributed software that allows for transfer of value using a currency protected from unexpected inflation without relying on trusted third parties. In other words, Bitcoin automates the functions of a modern central bank and makes them predictable and virtually immutable by programming them into code decentralized among thousands of network members, none of whom can alter the code without the consent of the rest."

— Saifedean Ammous, 2018

Bitcoin at its roots is three things: first, a decentralized peer-to-peer network (the bitcoin protocol). Second, it is a public transaction ledger (the blockchain) recording every transaction that ever takes place in the network. Third, it is a set of rules for independent transaction validation and currency issuance (consensus rules). These three components of bitcoin work in unison, protected and upheld by a technological breakthrough called proof-of-work, an algorithm for reaching global decentralized consensus on the bitcoin blockchain. By nature, it is noteworthy to describe the fundamental values of bitcoin as a digital cash payment system and monetary reserve asset. Scholars yet argue that other definitions of bitcoin apply, but here is the definition of an early adopter of bitcoin, author of Mastering Bitcoin, 2014, Andreas Antonopoulos:

"Bitcoin is a collection of concepts and technologies that form the basis of a digital money ecosystem. Units of currency called bitcoin are used to store and transmit value among participants in the bitcoin network. Bitcoin users communicate with each other using the bitcoin protocol primarily via the internet, although other transport networks can also be used. The bitcoin protocol stack, available as open-source software, can be run on a wide range of computing devices, including laptops and smartphones, making the technology easily accessible."

— Andreas Antonopoulos, 2014

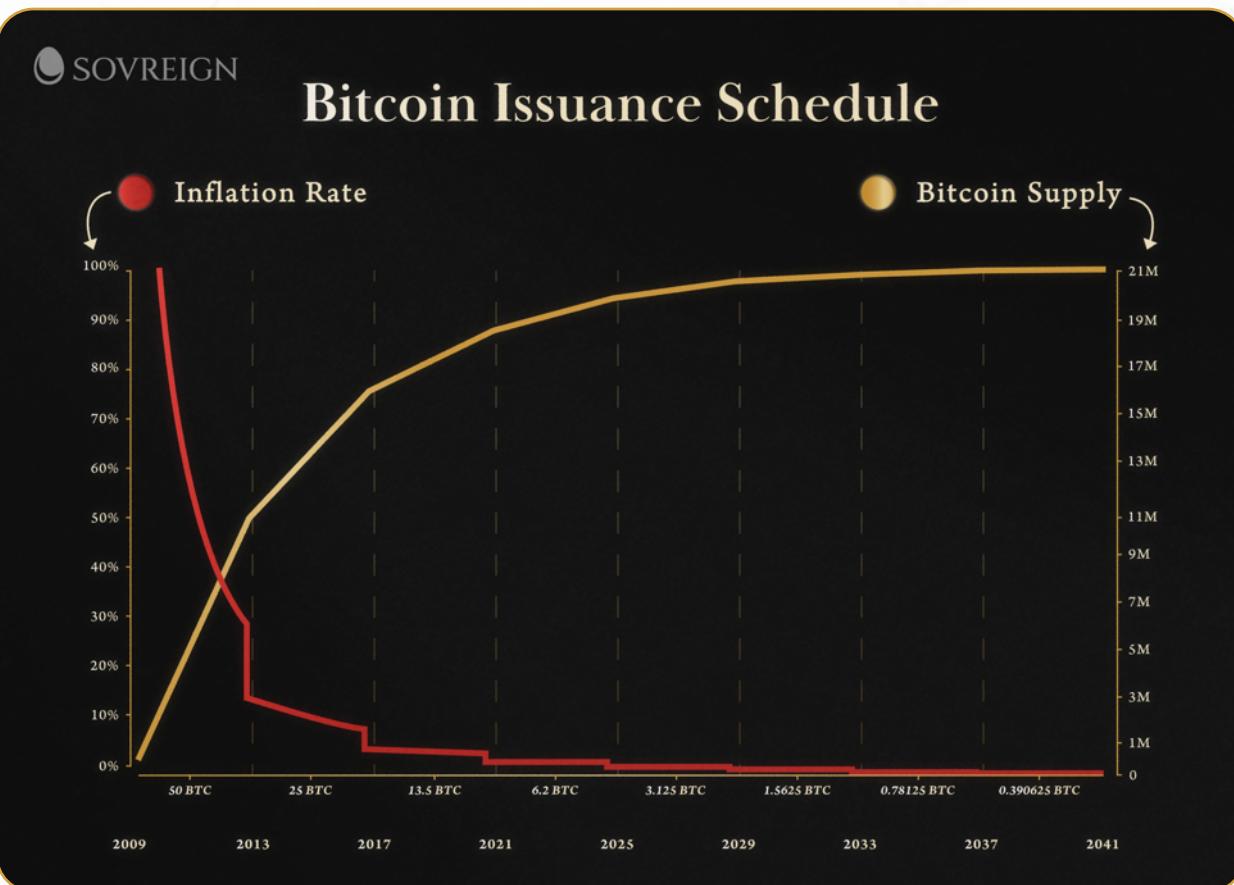
At its core, bitcoin works as both a network protocol and a new type of digital money system. While bitcoin started as a digital currency, it's actually much more than that. It combines years of work in computer security and digital networks to create something completely new. The system is simple to use. People can send and receive bitcoin just like regular money, whether they're buying things, paying someone, or lending money. You can buy and sell bitcoin on exchanges, trading it for other currencies. It works perfectly on the internet since it moves quickly, stays secure, and crosses borders easily. Bitcoin exists only in digital form - there aren't any actual coins to hold. Instead, value moves between people through digital transactions. Each bitcoin user has their own special digital keys, like a password, that prove they own their bitcoin. These keys let them send bitcoin to others by signing off on transactions. Users keep their keys safe in digital wallets on their computers or phones. Having these keys is all you need to use bitcoin – no one else controls your money. The system all runs on a network where everyone connects directly to each other, with no central authority in charge.

Much like gold, bitcoin requires a mining process that releases new tokens into circulation, which helps to secure the network by multiple factors. One of these factors is that by the required mining of supply, all transactions happening on the blockchain are engraved permanently into the ledger by mathematical calculation using computational power. With each block mined, the network becomes stronger and

prevents double-spending by the fact that transactions are non-reversible. Anyone can look back in the ledger's history to verify a transaction's validity. The "mining" itself is a process where computers solve complex math problems while confirming transactions. Anyone can become a miner by running the bitcoin software on their computer. Miners use their computing power to verify transactions and add them to the public record.

About every 10 minutes, one miner successfully validates recent transactions and receives newly created bitcoin as a reward. This system removes the need for a central bank since miners handle both creating new bitcoin and processing transactions. Bitcoin's "difficulty adjustment" is a mechanism that automatically adjusts how difficult the mining process is, ensuring new blocks of transactions are added roughly every 10 minutes, no matter how many miners are working or how powerful their computers are. The difficulty adjustment is a profound technological breakthrough. Instead of placing the difficulty of mining *in physical space*, like how gold needs to be uprooted from the ground, the difficulty of bitcoin mining is placed *in time*. This way, no matter how powerful our computers become, no one can unfairly outwork someone else to mine new bitcoin. It will always take 10 minutes on average to mine bitcoin, creating a level playing field that gold stuck in the ground could never uphold.

Every four years, the system cuts the daily issuance of new bitcoin in half; a process known as the "halving." This process will continue until there are 21 million bitcoins in total, which should happen around the year 2140. Because fewer and fewer bitcoins are made over time, the currency naturally increases in value.



Unlike regular money, no one can create extra bitcoins beyond this set schedule. As with every consensus mechanism, rules can be changed if the network reaches consensus on a proposal. For bitcoin, these amendments to the protocol are called bitcoin improvement proposals (BIPs). They include code modification to either improve efficiency or add new features. Bitcoin is regarded as an immutable set of rules. For example, overriding the 21 million maximum circulating supply of bitcoin could be submitted as part of a BIP to override the limitation of the supply. But no bitcoin participant would ever agree to it because it would render their tokens worthless. Any change made to the core protocol has to benefit the network validators directly or the changes are not passed.

The capped inflation of the protocol is drastically opposed to the unlimited supply of money in a fiat system as described previously. Thanks to its fixed, predetermined, and programmed supply issuance, bitcoin's scarcity is unalterable. The limitation of maximum supply establishes bitcoin's scarcity and its perception as a deflationary currency. The holders of such assets can rely on the near-zero probability that more of the asset is ever created and therefore gain confidence in their stored savings. This fixed supply implies that as demand increases over time, the value of bitcoin appreciates, growing the monetary value of the holder's wealth.

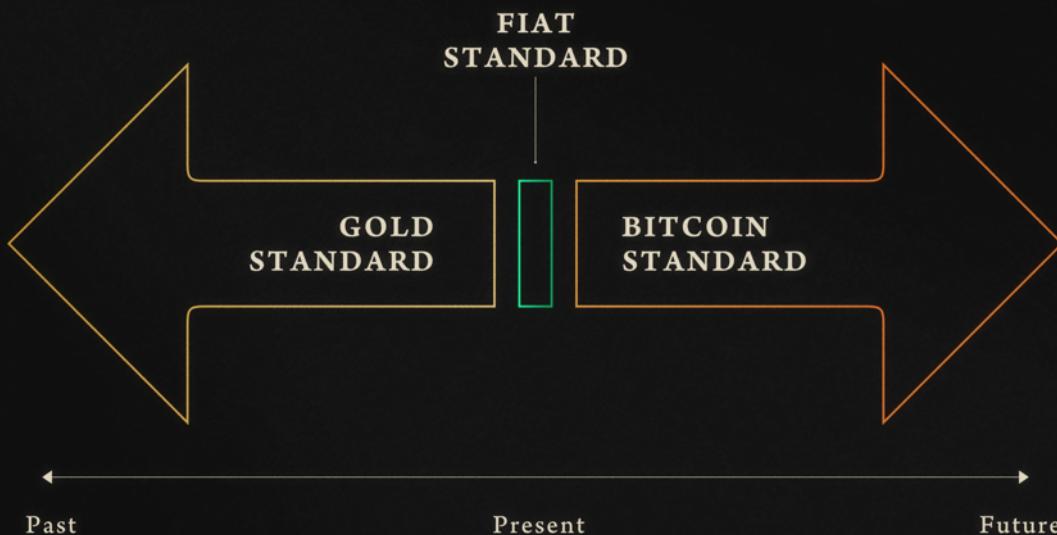
Beyond a reliable savings vehicle, bitcoin is multidisciplinary and multifaceted. One can describe at least four different ways of defining bitcoin. First, it is technically defined as a peer-to-peer internet network. Second, it has a financial definition as a worldwide monetary channel. Third, it holds a physical definition as a digital energy commodity. Finally, it can even be considered militarily as the largest, most physically powerful, and most energy-efficient defensive weapon system ever built; a concept which Major Jason P. Lowery thoroughly explains in *Softwar, A Novel Theory on Power Projection and the National Strategic Significance of Bitcoin*. Henceforth, bitcoin, as a digitally native weapon, provides humanity with a paradoxically peaceful method of waging war against today's corrupted and oppressive systems of control. It channels the kinetic energy previously spent on bullets into a form of digital energy that expends attackers' monetary resources. Like a nation state protecting its borders, bitcoin's walls are impenetrable thanks to its reliance on a global, decentralized network of users pooling their monetary energy together.



II - The New Business Standard for Money

"It would be impossible to overstate the corporate advantages of being on the Bitcoin Standard. Since 2017, we've doubled our franchises to ten, more than 10x'd our trading profits, and delivered 25% annualized ROE for our shareholders. Our firm compensation, rent, and total expenses are up 89%, 119%, and 69%, respectively, in fiat, and down 36%, 26%, and 43%, respectively, in bitcoin. The more fiat we make, the more bitcoin I buy. You cannot print bitcoin."

— Ross L. Stevens



While thus far we've discussed bitcoin from a monetary and investment perspective, it's important to recognize that bitcoin is much more than just a financial asset. It's a revolutionary technology and protocol with potential applications we haven't yet fully grasped. New use cases emerge daily, and we anticipate that in the coming decade, bitcoin will create entire industries and business models that are currently incomprehensible.

Even the most ardent bitcoin supporters have difficulty understanding and describing the full scope of what bitcoin can do for businesses. To help understand this paradigm shift, we've created a framework

for understanding the potential new applications of bitcoin in a business setting called the Bitcoin Business Standard. Helping companies adopt this paradigm shift is Sovereign's existential thread. As a new framework for businesses, the Bitcoin Business Standard can serve as a guidepost, giving people an idea of where they're at in their bitcoin journey and providing them something to aim for in a structured manner.

The Bitcoin Business Standard represents the pinnacle of business adoption: a company that has replaced outdated 20th-century ideas with new ones powered by technology. It means the company is taking full advantage of bitcoin's financial, operational, and cultural benefits. The Bitcoin Business Standard doesn't merely aim to add bitcoin as an asset on a company's balance sheet but is a holistic approach that integrates bitcoin's unique properties across all facets of business. Since this topic isn't the main focus of this book, we will keep this chapter short and simply try to showcase as many interesting and unique use-cases for bitcoin that you might not be aware of.

A - The Triple Point Asset

In the landscape of modern finance, bitcoin has established itself as a revolutionary force that defies conventional asset classification. This groundbreaking digital asset exhibits a unique trinity of characteristics that sets it apart from traditional financial instruments. At its core, bitcoin functions as a robust store of value, similar to gold or real estate, preserving wealth across time and space. Simultaneously, it serves as an efficient medium of exchange, enabling seamless peer-to-peer transactions without intermediaries. Furthermore, its role as a unit of account continues to grow as more businesses and institutions adopt bitcoin for pricing and accounting purposes.

This remarkable convergence of properties has given rise to the concept of bitcoin as a "triple point asset," drawing an elegant parallel from thermodynamics. Just as water can exist simultaneously as solid, liquid, and gas at its triple point, bitcoin maintains its three fundamental properties in perfect equilibrium. This phenomenon is unprecedented in financial history, as traditional assets typically excel in one or two of these functions, but rarely all three simultaneously. Bitcoin represents arguably the soundest form of money we have ever created, effectively solving the shortcomings of gold and fiat.

Beyond its triple point nature, bitcoin has earned recognition as the world's first truly exponential asset. Its unique combination of network effects, digital scarcity, and programmatic monetary policy has created a new paradigm in asset behavior, demonstrating growth patterns and



adoption curves that challenge conventional economic models. This exponential characteristic, coupled with its triple point properties, positions bitcoin as a pioneering force in the evolution of financial assets.



"Bitcoin is currently transitioning from the first stage of monetization to the second stage. No one alive has seen the real-time monetization of a good (as is taking place with Bitcoin), so there is precious little experience regarding the path this monetization will take."

-VIJAY BOYAPATI



Collectible → Store of Value → Medium of Exchange → Unit of Account

Store of value (SoV)

"Bitcoin is the hardest money ever invented: growth in its value cannot possibly increase its supply"

— Saifedean Ammous, *The Bitcoin Standard*

Bitcoin as a store of value is an instrument that preserves its worth across temporal dimensions without deterioration. Through its mathematical scarcity and immunity to confiscation, bitcoin has demonstrated its efficacy as a dependable wealth repository. The distributed architecture of bitcoin renders it impervious to appropriation or suppression. Through the safeguarding of cryptographic

credentials, one's digital wealth remains inviolable. This characteristic renders it particularly appealing to individuals residing under authoritarian governance or within economically volatile jurisdictions. The underlying protocol establishes an immutable ceiling of 21 million units, never to be exceeded.

This programmatic limitation mirrors the natural scarcity of precious metals, while simultaneously offering superior attributes of divisibility and transferability. Much as precious metals have served as repositories of wealth across millennia through their inherent scarcity and permanence, digital currency emerges as the contemporary store of value for our virtual, interconnected era. Yet unlike its metallurgical predecessor, bitcoin transcends physical vulnerabilities, enabling near-instantaneous value transmission across global distances at ridiculously cheap transfer fees. The gold transportation wars are long gone with bitcoin as a monetary basis.

Medium of exchange (MoE)

In the realm of financial transactions, a medium of exchange serves as the bridge between buyers and sellers, facilitating the transfer of value for goods and services. Bitcoin, with its ingeniously designed protocol of predictable and immutable supply, emerges as a revolutionary instrument in this capacity. Unlike traditional monetary systems, bitcoin's supply remains impervious to institutional manipulation. Its protocol orchestrates a masterfully choreographed issuance schedule, where new bitcoins materialize at a mathematically precise, gradually diminishing rate, establishing it as an exemplar of monetary reliability.

While the Federal Reserve wields unlimited authority to expand the US dollar supply at its discretion, bitcoin stands apart with its algorithmic cap of 21 million units. This architectural brilliance imbues bitcoin with deflationary characteristics, safeguarding its holders from the wealth-eroding effects of monetary expansion. Perhaps most remarkably, bitcoin transactions remain immune to external interference. This intrinsic resistance to censorship ensures that no centralized authority can impede the flow of value, offering a beacon of financial freedom to individuals. And best of all, bitcoin is as easy to exchange as text messages. Using a variety of means, whether it be QR codes, automated invoices, or other programmable methods, you can exchange bitcoin between parties instantly using a variety of devices while enjoying the protections of a fixed supply and the lack of intermediaries who take percentage cuts and require trust to facilitate exchanges.

Unit of account (UoA)

A monetary unit of account functions as the fundamental metric through which societies ascribe worth to commodities, amenities, and fiscal exchanges. The distributed ledger technology underpinning bitcoin, with its unalterable chronicle and capacity to transform financial record-keeping, positions bitcoin as a compelling candidate for this essential role that money plays in our economy.

The distributed architecture of the blockchain serves as an indelible repository of financial records, chronicling each transfer of value with unwavering precision. This unprecedented level of fiscal transparency harbors the potential to revolutionize contemporary bookkeeping methodologies, fostering an environment where financial documentation becomes inherently more reliable and resistant to fraudulent manipulation.

We're only at the cusp of this technological renaissance. With bitcoin's superior characteristics as a store of value and medium of exchange, the valuation of goods and services might naturally gravitate toward expression in bitcoin denominations, supplanting traditional fiat currencies as the standard measure of economic value.

B - Undefeated Returns

"You either have to work 10 times harder than a bitcoin holder, or you just hold Bitcoin"

— Jack Mallers, CEO of Strike

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD 2024	Average
Bitcoin 5.866.29%	U.S. Equities 13.69%	Bitcoin 35.10%	Bitcoin 124.07%	Bitcoin 1,622.86%	Treasuries 0.86%	Bitcoin 86.38%	Bitcoin 293.38%	Bitcoin 67.23%	Commodity	Bitcoin 156.62%	Bitcoin 49.08%	Bitcoin 675.26%
U.S. Equities 32.39%	Real Estate 13.34%	U.S. Equities 1.38%	EM Equity 12.06%	U.S. Equities 21.83%	U.S. Bonds 0.01%	U.S. Equities 31.49%	Gold 24.42%	U.S. Equities 28.71%	Gold -0.13%	U.S. Equities 26.29%	Gold 28.36%	U.S. Equities 15.48%
EM Equity 3.59%	U.S. Bonds 5.97%	Treasuries 0.84%	U.S. Equities 11.96%	Real Estate 18.73%	Gold -2.14%	Real Estate 25.92%	U.S. Equities 18.40%	Commodity 27.11%	EM Equity -1.60%	Gold 13.45%	U.S. Equities 22.08%	EM Equity 6.46%
Real Estate 3.51%	Treasuries 5.05%	U.S. Bonds 0.55%	Commodity 11.77%	EM Equity 14.90%	U.S. Equities -4.38%	Gold 18.87%	EM Equity 14.69%	Real Estate 22.06%	Treasuries -12.46%	EM Equity 12.60%	EM Equity 15.68%	Real Estate 6.13%
U.S. Bonds -2.02%	EM Equity -1.10%	Real Estate -0.39%	Gold 8.63%	Gold 13.68%	Real Estate -6.77%	EM Equity 13.31%	Treasuries 8.00%	EM Equity 4.42%	U.S. Bonds -13.01%	Real Estate 9.32%	Real Estate 12.34%	Gold 5.12%
Treasuries -2.75%	Gold -1.51%	EM Equity -2.62%	Real Estate 5.32%	U.S. Bonds 3.54%	EM Equity -8.45%	U.S. Bonds 8.72%	U.S. Bonds 7.51%	U.S. Bonds -1.54%	U.S. Equities -18.11%	U.S. Bonds 5.53%	Commodity 5.86%	U.S. Bonds 1.86%
Commodity -9.52%	Commodity -17.01%	Gold -10.46%	U.S. Bonds 2.65%	Treasuries 2.31%	Commodity -11.25%	Commodity 7.69%	Commodity -3.12%	Treasuries -2.32%	Real Estate -24.42%	Treasuries 4.05%	U.S. Bonds 4.45%	Treasuries 1.28%
Gold -28.26%	Bitcoin -60.51%	Commodity -24.66%	Treasuries 1.04%	Commodity 1.70%	Bitcoin -72.31%	Treasuries 6.86%	Real Estate -5.42%	Gold -3.51%	Bitcoin -65.05%	Commodity -7.91%	Treasuries 3.84%	Commodity -0.27%

A hurdle rate represents the minimum return an investment must generate to be considered viable. It guides investment decisions, with higher-risk projects requiring higher rates. As investors realize bitcoin is the risk-free upside, they start thinking that incorporating it into their project lowers the project's risk significantly. Over the past decade, Bitcoin has demonstrated unprecedented dominance in performance across all major asset categories, establishing itself as the premier benchmark within the digital asset sphere.

Sophisticated digital asset investors have started fundamentally shifting their financial paradigm; rather than pursuing the accumulation of fiat, they measure success through the expansion of their bitcoin holdings. Every investment decision and expenditure is carefully evaluated against the opportunity cost of acquiring additional bitcoin, which serves as the ultimate benchmark of value. Given bitcoin's phenomenal track record of surpassing the performance of all other asset classes in nine out of the previous twelve years, with gains that eclipse traditional investments by several orders of magnitude, it comes as no surprise that this digital asset has supplanted treasury bonds as the de facto "risk-free rate" benchmark among astute investors.

This paradigm shift is particularly evident among those well-versed in monetary history who recognize and appreciate bitcoin's mathematically enforced, immutable scarcity as a cornerstone of its enduring value proposition. Bitcoin stands as the cornerstone of digital assets, analogous to how treasury bonds serve as the bedrock of traditional finance, an essential benchmark against which all other investments are measured. If maintained through self-custody, bitcoin presents a unique value proposition by eliminating numerous vulnerabilities inherent to conventional financial systems: it nullifies counterparty exposure, negates dilution concerns, and circumvents the myriad systemic hazards that plague traditional monetary instruments.

Fiat money

Holding any amount of wealth in a 2% inflation target economy is dubious, as it means that if there is an increase in production capacity, the debasement of the currency must be as big as the increase in CPI goods to keep afloat with target inflation. When fiat currency is devalued through monetary debasement, it cannot be sustained as a store of value against bitcoin. Anything devalues against a perfectly scarce asset. The very price of bitcoin itself shows how fiat currency has devalued in bitcoin terms.

Real Estate

The real estate market exerts that captivating allure, often giving the illusion of stability and consistent financial gains. However, this façade can be deceptive, particularly when one considers the insidious force of monetary devaluation. The real estate sector's steady appreciation masks a more complex economic reality, where the erosion of purchasing power silently chips away at perceived wealth accumulation. This dichotomy between the tangible nature of property investments and the intangible, yet potent, impact of currency depreciation creates a nuanced landscape that demands careful scrutiny from potential investors. The interplay between brick-and-mortar assets and the ethereal concept of inflation forms an intricate tapestry of financial considerations, challenging the conventional wisdom surrounding real estate as a foolproof investment strategy.

Worldwide, the property market, valued at an astonishing \$320 trillion, is significantly shaped by individuals seeking to safeguard their wealth and maintain its value over time. The fact that half of the residential real estate in the United States is not occupied by owners highlights that property ownership extends beyond mere habitation, functioning as a profitable venture that, as a result, reduces everyday people's access to home ownership over time. One might argue that the expansion of the real estate market's valuation is partially attributed to the absence of a dependable asset for preserving wealth rather than being solely based on sound investment principles.

At the end of the day, property investment can yield substantial returns, but it is not the optimal method for capital preservation. Is investing in an apartment complex a prudent long-term wealth preservation strategy, given the potential for real estate market saturation? This phenomenon could result in an influx of new developments, potentially leading to a commoditized housing market characterized by intense competition and diminishing rental yield margins. Real estate is stationary, difficult to convert to cash quickly, and can involve considerable risks. With property values at their peak in recent memory and borrowing costs soaring, the appeal of real estate investment is fading.



Stock market

The stock market barely keeps up with inflation. The S&P 500 index has historically served only as a mirror of the U.S. dollar currency supply over the past century. Investment in a diversified stock portfolio does not generate real wealth creation but rather acts as the shadow of a mechanism for capital preservation. While nominal gains may create the illusion of increasing wealth, the real value of stock investments remains relatively constant when adjusted for inflation and currency supply growth. Investing in stocks inherently involves counterparty risk, management risk, operational risk, and political risk. At best, indexes and ETFs alike have hardly tracked the rate of monetary expansion.

Gold & Bonds

Despite its 6000 years-long history and moderate physical scarcity, gold is a commodity that could be mined indefinitely with sufficient technology. Holding wealth in gold may already be outdated compared to holding its digital successor. Once you understand that the true inflation rate is anywhere

from 7-14% annually, investing in gold or even bonds isn't ideal. Even in the best scenario, you are only getting negative real returns. With that said, bonds have long been a reliable cash equivalent for corporate treasuries. They offer liquidity and a predictable return, making them a safer investment compared to more risky options. However, no CFO or business owner can justify negative real returns of 3, 4, 5, 6, or 7%. It might be time to explore new options.

Commodities

No matter how you look at it, commodities are not a good investment. As the demand and subsequent price increase, so does the production of new supply to meet the demand. Whichever commodity is in high demand will attract an influx of market participants. They will work to increase its supply, thus balancing supply and demand. There is only one thing in the world that cannot be produced in higher quantities to meet demand, and that is bitcoin.



C – The Bitcoin Business Blueprint

“In ten years, every company in the world that needs to send payments cross-border will use lightning to do that either knowingly or not knowingly but the underlying technology that will transport value cross-border for the world will be lightning for any consumer and any company”

— Daniel Frank, Sovereign CEO

Benefits flywheel

One benefit of using bitcoin in your business is the increased security it provides. Unlike traditional payment methods, bitcoin transactions are encrypted and secure, making them less susceptible to fraud and hacking. This added layer of security will give your business peace of mind knowing the transactions are safe and protected. In addition to enhanced security, using bitcoin helps business owners save money on transaction fees. Traditional payment methods such as credit cards and bank transfers often incur high fees that can eat into profits. With bitcoin, transaction fees are typically lower, allowing business owners to keep more of their hard-earned money in their pockets. If your business requires reaching a global audience, bitcoin serves as the de facto borderless currency for expanding your customer base. You would be able to accept payments from customers anywhere in the world without having to worry about currency conversion fees or international banking regulations.

This opens new markets and opportunities for growth for businesses of all sizes. Bitcoin can also help attract tech-savvy customers who prefer to pay with digital currency. Accepting bitcoin as a payment method reaches a new generation of consumers who value convenience, security, and innovation. This can give businesses a competitive edge in an increasingly digital marketplace. The benefits of using bitcoin are clear. From increased security and lower transaction fees to global reach and customer appeal, bitcoin offers a host of advantages for entrepreneurs and business leaders. Embrace this innovative technology, position your company for success in the digital age, and maximize profits.

In a world with bitcoin, we must begin to think in terms of accretive value rather than dilutive. Not only does bitcoin provide a foundational technology for payments, but it is also the rarest asset on earth, which means acquiring it can serve as collateral to borrow against it afterwards. The most illustrative corporate example of this mechanism is MicroStrategy, a company that has become a levered bitcoin proxy for traditional finance.

One might question if the traditional diversification strategy of a portfolio is still up to date today after the introduction of absolute scarcity. Assets across the world, like real estate, bonds, stocks, and equities, will most likely continue to appreciate due to monetary debasement through inflation. But will they appreciate more than the asset with the most finite supply, the most incorruptible network of encrypted protection, and the largest conglomerate of digital computing power in the world? On the contrary, as the money parked in these previous safe heavens *realizes* that absolute scarcity can only be invented once, capital will flow towards bitcoin.

"There is and always has been a fundamental difference between saving and investment savings are held in the form of monetary assets and investments are savings which are put at risk. The lines may have been blurred as the economic system financialized, but bitcoin will unblur the lines and make the distinction obvious once again. Money with the right incentive structure will overwhelm demand for complex financial assets and debt instruments"

— Parker Lewis, 2023

Payments

In 2016, Poon & Dryja publish The Bitcoin Lightning Network: Scalable Off-Chain Instant Payments:

"The bitcoin protocol can encompass the global financial transaction volume in all electronic payment systems today, without a single custodial third-party holding funds or requiring participants to have anything more than a computer using a broadband connection. A decentralized system is proposed whereby transactions are sent over a network of micropayment channels (a.k.a. payment channels or transaction channels) whose transfer of value occurs off-blockchain."

— Poon & Dryja, 2016

With the advent of the lightning network (LN) transactions can now be broadcasted off-chain facilitated via smart contracts along predetermined routes, with built-in safeguards through a sophisticated system of diminishing time-locks. When two parties engage in regular, recurring

transactions, broadcasting each interaction to the entire bitcoin network becomes redundant and inefficient. A more streamlined approach involves maintaining a minimal on-chain footprint by recording only essential information. Through this method, participants can aggregate their mutual transactions and perform periodic settlement reconciliations, effectively conducting numerous exchanges without unnecessarily congesting the blockchain or relying on intermediary trust mechanisms. Within a business, payment mechanisms are used every day. If updated at scale, inward payments costs of operations can be drastically decreased.

As a monetary good, bitcoin can come to dominate the digital asset ecosystem due to the very powerful effects of networks. This is why building a corporate reserve for your business measured and held in this dominant digital asset is crucial to stay competitive or become competitive. As a payment mechanism for your business to soundly rely on, bitcoin provides an unparalleled security and efficiency. The Lightning layer of the lightning network (LN) is built on top of bitcoin to make it scale. Transactions are done in bilateral channels that connect in a network, and each channel is anchored to bitcoin's main chain with a single transaction.

Benefits of utilizing the LN for payments in your company include:

- Reducing transaction fees
- Attracting new customers
- Allowing 24/7 global transactions and remittances
- Zero chargeback risk and enhanced fraud protection
- Supporting microtransactions
- Enabling pay-per-use services
- Allowing for creator tipping
- Reaching unbanked and financially restricted markets

LN transactions are completed in milliseconds and can process millions of transactions per second with minimal energy consumption. By leveraging bitcoin's security, the LN enhances speed and reduces costs, surpassing the capabilities of traditional payment networks. Incorporating this into any business will dramatically reduce transaction costs, bringing unprecedented savings to all internal payments of a company (from stakeholders to another) and to external payments as well (from clients, suppliers, and service providers).

This payment rail not only allows for any company on earth to benefit from the reduced cost of transactions while obliterating the 3-5 business day waiting time but also makes it impossible for third parties' inefficiencies to interfere with businesses interacting with one another. Such a revolution cannot be underestimated for the future of business, and while implementing it can be cost-effective when not conducted with the guidance of professionals in the space. If the concept of a global

distributed network of bilateral payment channels seems unreal, think of it as how the worldwide spot foreign exchange operates. And now it will be based on a bitcoin standard offsetting significant risks of currency devaluation for all parties involved.

Artificial Intelligence & Payments

Similar to a lot of other challenges with fiat currency, payments for large language models can be difficult to get right. Similar to a streaming service, a flat monthly fee isn't flexible enough to cover all use cases and customer desires.

Bitcoin solves this by enabling **pay-per-use models** with satoshis, allowing users to pay only for what they need rather than relying on inflexible monthly fees.

But the potential goes beyond human users—AI agents themselves can now hold, send, and receive Bitcoin. Tools like LangChainBitcoin can integrate the Lightning Network into AI frameworks, allowing autonomous AI agents to manage bitcoin balances, conduct transactions, and access payment-metered APIs seamlessly. This technology is on the cusp of opening up a future where AI agents can transact independently, enabling machine-to-machine economies and expanding the use of bitcoin in entirely new directions.

Looking to the future, the integration of bitcoin with AI represents a new paradigm in financial technology. Alex Leishman highlighted this transformative potential: "*Bitcoin is set to become the cornerstone of the machine economy, enabling seamless, autonomous transactions between AI agents.*"

This vision entails a future where machines can conduct transactions independently, without human intervention, using bitcoin as the medium of exchange. AI agents are already emerging in various applications, such as Conversate, where AI agents manage specific tasks and interactions. As these agents become fully autonomous, they will need to handle their own finances.

A machine cannot and will likely never be able to open a bank account. In practical terms, AI agent could generate a bitcoin wallet, earn funds through online activities, and spend those funds autonomously to complete tasks. AI agents managing bitcoin via the LN shows bitcoin's potential in the machine economy, as foreshadowed by Lyn Alden:



"With Lightning, you can send payments worth a fraction of a penny. This opens up new use-cases that aren't possible with credit cards, for example, such as machine-to-machine payments, the streaming of micro-payments, or the usage of micro-payments as a spam-prevention technique."

Treasury management

Treasury management has traditionally prioritized capital preservation and liquidity assurance, with the primary objective of safeguarding excess cash reserves. Corporate treasurers have historically relied on conventional investment vehicles such as bank deposits, Treasury bills, and money market funds, which are regarded as "safe" due to their stability and predictability. In an era characterized by low inflation and consistent interest rates, these strategies have proven effective.

However, as economic conditions have undergone significant transformations, particularly since the onset of the COVID-19 pandemic in 2020, companies are increasingly questioning the efficacy of these methods. The pandemic-induced global economic disruptions necessitated unprecedented monetary interventions from central banks, resulting in inflationary pressures, elevated interest rates, and geopolitical tensions. These evolving economic dynamics have compelled businesses to reevaluate their conventional approaches to capital allocation.

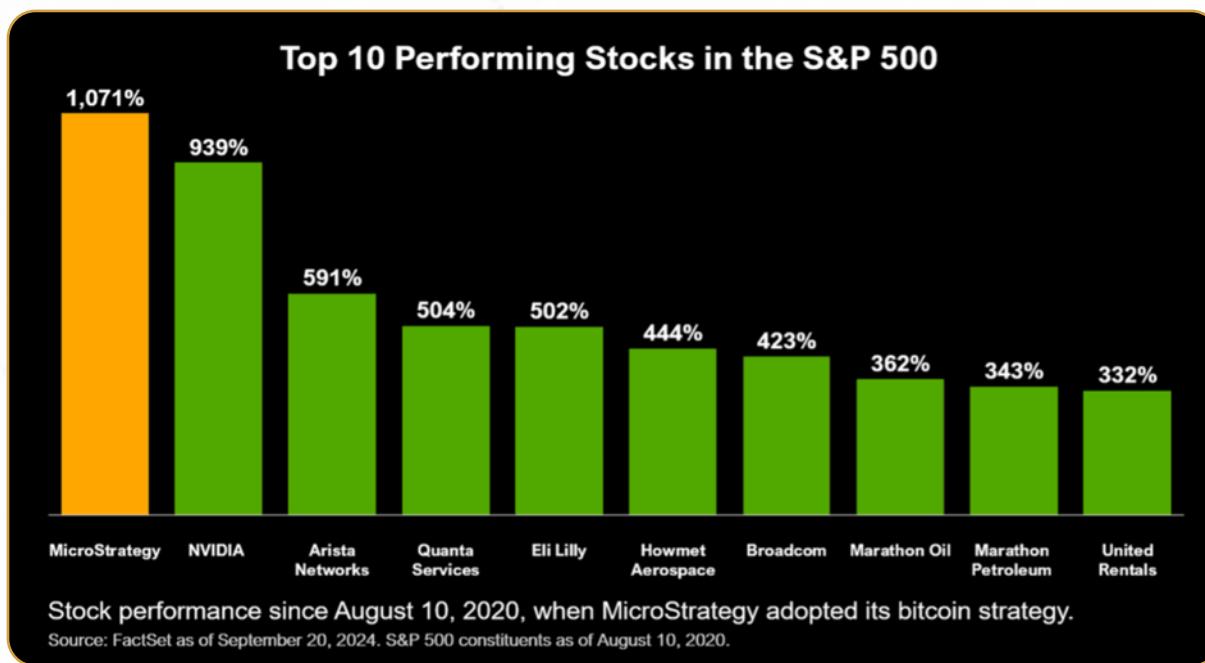
To comprehend Bitcoin's role, it is crucial to acknowledge the limitations of conventional treasury strategies in the current economic climate. Since 2020, the global economic environment has experienced a surge in volatility. Central banks, particularly in the United States and Europe, have implemented substantial interest rate hikes to combat inflation. These measures have resulted in elevated borrowing costs, diminished purchasing power, and reduced returns on cash reserves for businesses.

The contemporary economic landscape is beset by supply chain disruptions, geopolitical instability, and the rapid evolution of monetary policies. Consequently, holding substantial cash reserves, once a reliable source of stability, now often leads to financial erosion as inflation diminishes its purchasing power. For corporate treasuries, simply allocating funds to "safe" investments no longer constitutes a viable strategy amidst these ongoing challenges. In this new climate, treasurers need to find assets that provide liquidity and flexibility while preserving long-term value. This shift has sparked growing interest in alternative assets, with bitcoin at the forefront.

As inflationary pressures and monetary instability persist, bitcoin's appeal as a treasury asset becomes clearer. Bitcoin offers unique properties that make it attractive in this environment.

With its fixed supply of 21 million coins and decentralized nature, bitcoin is immune to the inflationary policies of central banks and governments. This contrasts sharply with fiat currencies, which can be devalued at will through money printing. The case for bitcoin was notably exemplified by MicroStrategy, which reallocated a significant portion of its cash reserves into bitcoin in 2020.

Their Executive Chairman Michael Saylor famously referred to the company's cash holdings as a "melting ice cube," eroding in value due to inflation. Since then, MicroStrategy has continued to accumulate bitcoin, and its decision has been validated by significant capital appreciation. Since adopting bitcoin, MicroStrategy stock has been the best performing asset in the world.



D - Business Metamorphosis

The corporate landscape is undergoing a remarkable metamorphosis at an unprecedented pace. Organizations worldwide are harnessing artificial intelligence's transformative capabilities to optimize operations with diminishing resources, fundamentally reshaping traditional business paradigms. The emergence of bitcoin as the internet's native currency, operating independently of political influence, has revolutionized the conventional notion of corporate treasury management. Rather than witnessing their balance sheets deteriorate through inflationary pressures, companies can now benefit from an appreciating treasury that catalyzes

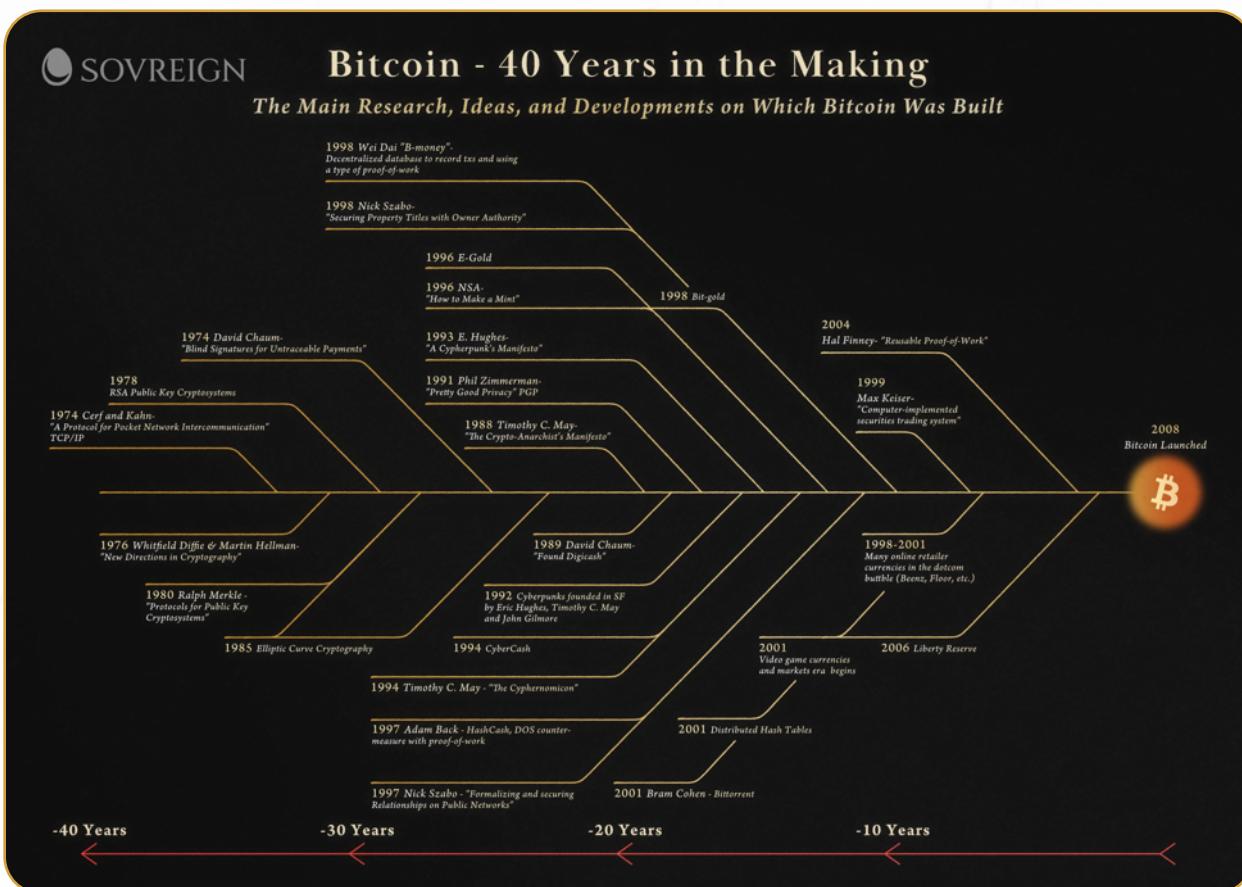
novel opportunities for expansion and innovation. Previously, the corporate landscape was fraught with regulatory complexities and juridical constraints that impeded entrepreneurial innovation and stifled the global accessibility of business opportunities for talented individuals.

The unprecedented accessibility of digital treasury management is already enabling businesses worldwide to succeed, regardless of their scale or network connections, and to establish autonomous financial operations online, unlocking infinite possibilities for growth and innovation. Securing capital and financing during a venture's nascent stages presents a significant challenge, particularly for aspiring entrepreneurs whose sole assets are their innovative concepts and intellectual property.

Traditional funding mechanisms, including philanthropic organizations and government-sponsored innovation initiatives, often employ inadequate evaluation methodologies and display an inherent aversion to high-risk ventures, despite their potential to yield transformative benefits for society at large. The unprecedented accessibility and egalitarian nature of bitcoin presents a remarkable catalyst for global innovation and business development.

III - Bitcoin, Not Crypto

A – Bitcoin Only



"The idea of online cash was among the first ideas emerging on top of the internet since the dawn of this new telecommunication's protocol first iteration. The idea being, allowing citizens of the world to send, receive and store value in a digital way. In fact, hundreds if not thousands of cryptographers have tried inventing digital money. The path to Bitcoin is littered with the corpses of failed attempts. I've compiled a list of about a hundred cryptographic payment systems, both e-cash and credit card-based technologies, that are notable in some way. Some are academic proposals that have been well cited while others are actual systems that were deployed and tested."

— Narayanan, et. al. 2016

One of the most interesting depictions of the historical milestones of bitcoin's inception can be found in Vijay Boyapati's book, *The Bullish Case for Bitcoin*.

Here is what we understand from it:

Although every event prior to 1983 in developing the internet eventually contributed, the journey toward digital money really kicked off in 1983 when David Chaum created eCash. It was the first system designed to protect users' financial privacy through cryptography. Though Chaum's company, DigiCash, tried to commercialize it in 1989, the venture failed because it relied on central control, and DigiCash went bankrupt in 1998, the whole system collapsed. This highlighted a key challenge for 1990s cryptographers: creating digital money without central control.

A breakthrough came in 1997 with Adam Back's HashCash system, which introduced "proof-of work", a way to create digital scarcity. This system required computers to solve complex puzzles that needed energy and time, creating a verifiable cost. While originally meant to prevent email spam by making mass emails too expensive, HashCash's proof-of-work concept would later become crucial for digital currencies. The year after, Wei Dai proposed b-money to solve eCash's centralization problem. His idea was to have network participants keep their own copies of everyone's balances, making it harder to manipulate the system.

However, b-money needed perfect communication between users to work, making it impractical. A couple of months later in 1998, Nick Szabo created bit gold, which built on previous ideas but introduced something new: "unforgeable costliness", making digital tokens valuable because they were provably expensive to create. Users could now make tokens by solving computational puzzles, and ownership was tracked across many computers. While innovative, bitgold had a flaw: as computers got faster, older tokens became easier to create, making them less valuable than newer ones. This broke an important rule of money: that all units should be worth the same amount.

Cryptocurrency is an imitation of this success, disguising itself as innovation and hindering humanity's progress toward sound money. Navigating the digital asset space without proper guidance is akin to entering a minefield. From a distance, it appears alluring, promising vast riches and revolutionary technologies. However, as one ventures further, the risks become evident. The "crypto" industry is replete with pitfalls, scams, and financial ruin. Had you placed your trust in 95% of the cryptocurrency companies or sought advice from self-proclaimed "crypto experts," you would likely be experiencing financial distress at this moment. Here is the critical distinction: bitcoin is not cryptocurrency. Although this may seem like a subtle technicality, comprehending this distinction could be the most significant insight one can gain.

While bitcoin operates as a neutral and benign technology, often compared to a digital commodity akin to gold, the cryptocurrency realm appears as a distant relative, frequently ensnaring unsuspecting investors within its web.

Regrettably, the majority of cryptocurrencies are either unregistered securities or outright fraudulent schemes. At the heart of the confusion lies the fact that cryptocurrency attempts to position itself as a groundbreaking innovation comparable to bitcoin. However, this assertion is inaccurate. Bitcoin stands out due to its deliberate design with a clear purpose: decentralized, free from any single point of control, and rightly recognized as a commodity without an issuer by regulatory bodies such as the CFTC. It occupies a unique position, both ethically and economically.

In contrast, the proliferation of cryptocurrency tokens in the market presents a concerning situation. Many of these tokens are supported by questionable issuers or rely on precarious foundations, exposing investors to substantial risks. The consequences of this have been severe, with notable failures such as FTX, Three Arrows Capital, and Celsius collapsing under their own fraudulent mismanagement, leaving countless investors in a precarious position.

Amidst this turmoil, Bitcoin's value proposition remains unwavering. In fact, the more the cryptocurrency market experiences instability, the stronger bitcoin's position becomes. As regulatory authorities intensify their efforts to combat unregistered securities, the number of unlistings of cryptocurrency tokens increases, and public trust in these tokens wanes, we have witnessed an undeniable influx of capital into the genuine digital scarcity represented by bitcoin.

B - The Benefits of a Bitcoin-Only Approach

The phrase “Bitcoin only” serves as a guiding principle for those who genuinely comprehend the cryptocurrency landscape. While crypto promoters enthusiastically promote buzzwords such as NFTs, Web3, and blockchain, it is crucial to discern the hype from substance. These concepts are merely distractions, ingenious marketing strategies intended to attract the uninformed. While it may be tempting to believe that there is a hidden gem among the multitude of tokens, it is essential to consider the potential risks involved.

Bitcoin stands out as a unique cryptocurrency, lacking an issuing entity or central authority. Its operational model sets it apart from other cryptocurrencies, providing a level of trust and stability that is unparalleled in the digital asset realm. Bitcoin was specifically designed to mitigate counterparty risk. No CEO can mismanage it, no board can alter it, no management team can err, no politician can influence it, no insider or foundation can modify it—and the list continues.

The recent regulatory crackdown on cryptocurrency exchanges has clarified the distinction between cryptocurrencies and other assets. The collapse of firms like FTX and Celsius exposed widespread fraud and mismanagement in the cryptocurrency industry. However, Bitcoin remained unaffected because these issues didn’t affect Bitcoin itself; they were products of a fraudulent cryptocurrency ecosystem.

As these crypto firms collapse, capital flows into Bitcoin. Investors recognize Bitcoin’s foundational role as a digital commodity poised to play a global role as new money, independent of any issuer or regulatory body. This distinction has significant implications. As capital flows from untrustworthy ventures into Bitcoin, it becomes evident that Bitcoin’s unique characteristics—decentralization, absence of a central issuer, and best monetary properties—make it the safest and most intelligent choice for long-term value.

C – Why Work With a Bitcoin-Only Consultant?

“Bitcoin is only risky to those who don’t understand it”

— Antony Pompliano

While Bitcoin is a neutral, benign technology, humans have a way of creating problems for themselves. The likelihood is that if you had listened to most of the so-called crypto gurus, you would have suffered significant losses or, like many, faced total financial ruin. You’ll quickly realize there’s a compelling reason behind this and grasping that reason may well be the most significant thing you can do.

The number of people who lost money because they trusted the wrong people is beyond measure. This is why we say verify, don't trust. The Bitcoin community values openness, transparency, and accountability. We believe in empowering individuals to take control of their own wealth and financial future through education and understanding of the underlying technology behind Bitcoin.

This is why working with a trusted Bitcoin-only consultant is paramount to coming out on top. By working with an advisor, you can avoid falling victim to scams, misinformation, or simply making costly mistakes due to a lack of knowledge. A single sentence from a true expert could have prevented a person or business from losing millions by heeding charlatans. In the future, this will be obvious, and people will pay a premium to cut through the noise. Because in the Bitcoin market, if you snooze, you lose.

Opportunity cost

Besides the perils of listening to the wrong crowd, another often overlooked point is the opportunity cost of wasting time with bitcoin. We are currently experiencing a once-in-a-species monetization event involving the only truly scarce digital asset. While DIY approaches are admirable, when it comes to bitcoin, there is no time to waste. By investing in getting things done *quickly* and *properly*, you come out on top despite the immediate cost of professional help.

If, like most people, you spend years navigating through trial and error, you'll miss out on unparalleled growth and might even lose your stack completely.

As a newcomer, you might doubt this claim. However, a quick look at what happened to those involved with Celsius or BlockFi should give anyone pause.

Avoid the pitfalls, leave the missteps to the overconfident, and seek guidance from a professional.

The Fast Track

By partnering with seasoned professionals, your company can onboard to Bitcoin in record time and with no mishaps.

Here is a list of just some of the things a good consultancy can help you with on your bitcoin journey:

- A bespoke investment and accumulation strategy
- General education and warnings about frauds and bad practices
- A secure custody setup tailored to your unique situation and needs
- Regulatory and compliance guidance
- Treasury management
- Accounting and bookkeeping integration
- Risk analysis and mitigation
- Access to the best pre-vetted providers
- Market insights and strategic advice
- Identify unseen use-cases and opportunities
- Ongoing support

Rather than blindly diving headfirst into Bitcoin, you're able to approach it methodically and systematically.

It brings peace of mind to know that you have trusted support by your side and someone holding your hand while dealing with unfamiliar territory.

A frequently overlooked benefit is the value of learning from a genuine expert. By bridging knowledge gaps and truly understanding Bitcoin early on, you're able to join a small, select group of people participating in the future of money in advance of mainstream adoption.

Everyone who eventually understands Bitcoin regrets not buying more earlier. What if you had access to someone back then who could explain it to you perfectly? That's the opportunity available today to those who recognize it—the chance to take the fast track and avoid years of missed opportunities.



IV - The Bitcoin Business Standard

Bitcoin is more than just a financial asset. It's an innovative technology and protocol that can be utilized in ways we haven't yet fully grasped. New use cases emerge daily, and we anticipate that in the coming decade, whole industries and business models will be built that are incomprehensible right now. While thus far we've discussed Bitcoin from a monetary and investment perspective, it's important to recognize that Bitcoin is much more than just a financial asset. It's a revolutionary technology and protocol with potential applications we haven't yet fully grasped. We anticipate that in the coming decade, Bitcoin will create entire industries and business models that are currently incomprehensible. Even the most ardent Bitcoin supporters have difficulty understanding and describing the full scope of what Bitcoin can do for businesses. To help understand this paradigm shift, we've created a framework for understanding the potential new applications of Bitcoin in a business setting called the Bitcoin Business Standard.

The Bitcoin Business Standard

"Bitcoin is a discovery on par with that of the wheel, the number zero or the ability to start a fire, mistaken for a gimmick by the masses"

— Knut Svanholm

As a new framework for businesses, The Bitcoin Business Standard can serve as a guidepost, giving people an idea of where they're at in their bitcoin journey and providing them something to aim for in a structured manner.

The Bitcoin Business Standard represents the pinnacle of business adoption: a company that has replaced outdated 20th-century ideas with new ones powered by technology.

It means the company is taking full advantage of bitcoin's **financial, operational, and cultural benefits**.

The Bitcoin Business Standard doesn't merely aim to add Bitcoin as an asset on a company's balance sheet—it's a holistic approach that integrates Bitcoin's unique properties across all facets of business. Since this topic isn't the main focus of this book, we will keep this chapter short and simply try to showcase as many interesting and unique use-cases for bitcoin that you might not be aware of.

Bitcoin Payments

Bitcoin provides a unique peer-to-peer settlement layer for transactions, offering significant advantages over traditional payment systems. While transactions on Bitcoin's base layer (Layer 1) prioritize security and decentralization, they can be slow and less suited for day-to-day payments. As a result, developers have created Layer 2 solutions like the Lightning Network that introduce instant settlements for fractions of a penny, making Bitcoin a competitive option for businesses seeking efficiency, cost savings, and global reach.

Benefits to utilizing Layer 2 Bitcoin for payments include:

- Reduces transaction fees
- Attracts new customers
- Allows 24/7 global transactions and remittances
- Zero chargeback risk and enhanced fraud protection
- Supports microtransactions
- Enables pay-per-use services
- Allows for creator tipping
- Reaches unbanked and financially restricted markets

Employee Rewards

What if you could incentivize your employees with actual monetary rewards? With traditional currency and payment processing, it's impractical to offer an employee 27 cents for completing a training module or arriving on time for a meeting. The transaction fees would exceed the reward amount, making it both economically and practically unfeasible. However, with bitcoin on the Lightning Network, small amounts of value can be transferred instantly thanks to negligible processing fees.

Bitcoin Salaries & Benefits

For companies looking to take the next step in their Bitcoin adoption, you can pay salaries in bitcoin, offer bitcoin-based stock options, and contribute bitcoin directly to your employees' 401(k) plans. For uninsured or underinsured people, a company like NiHowdy offers a platform that can provide substantial savings on prescription medications through a unique rewards system. Customers can save up to 85% at over 70,000 pharmacies across the U.S. and earn up to 5% back in Bitcoin on purchases.

Verification

Because Bitcoin is an immutable ledger, it allows users to time-stamp and verify any type of data. One use case for this being implemented by MicroStrategy is a Bitcoin-based decentralized identity (DID) system known as MicroStrategy Orange.

Orange is an attempt to facilitate immutable, or permanently fixed, decentralized identities. Instead of a siloed and proprietary verification method, these identifiers would provide a way for individuals to control and verify their identity universally without relying on a central authority.

Customer Reward Programs

Reward programs are both antiquated and underutilized, as they often take the form of made-up point systems that have little value to customers. Using services like Oshi, you can modernize existing customer rewards programs with real, hard money that customers prefer over made-up points. For businesses without an existing rewards program, Oshi offers an AI feature that quickly designs a custom program—allowing owners to get up and running in no time with minimal effort.

Bitcoin & AI

Artificial intelligence is a digitally native technology that does not play well with fiat money. A flat monthly fee isn't flexible enough to cover all use cases and customer desires, and pay-per-use models aren't efficient given high transaction costs in the traditional monetary system.

Bitcoin solves this by enabling **pay-per-use models** with satoshis, allowing users to pay only for what they need rather than relying on inflexible monthly fees.

But the potential goes beyond human users—AI agents themselves can now hold, send, and receive Bitcoin. Tools like LangChainBitcoin can integrate the Lightning Network into AI frameworks, allowing autonomous AI agents to manage bitcoin balances, conduct transactions, and access payment-metered APIs seamlessly. This technology is on the cusp of opening up a future where AI agents can transact independently, enabling machine-to-machine economies and expanding the use of bitcoin in entirely new directions.

Bitcoin-Backed Loans

Through new lending products, companies and individuals can use their bitcoin as collateral for loans. Bitcoin is truly the most pristine form of collateral, and in the future, it will likely become the standard for backing debt.

Bitcoin Mining

Most energy companies end up with wasted or stranded energy in various ways. By employing bitcoin miners, they can create a new revenue stream from this otherwise unused energy while also improving operational efficiency and optimizing energy use. This can include:

- Renewable energy sources like hydroelectric plants, solar farms, and wind farms using excess off-peak energy for mining to create new revenue streams.
- Oil extraction sites converting wasted methane into mining power, reducing emissions while generating profit.
- Nuclear plants maintaining continuous output by using the excess capacity for mining during low-demand periods.

V - Bitcoin Offers Breathing Room

In the wake of our modern money's deterioration, bitcoin spontaneously emerged from the internet as a solution to seemingly endless monetary debasement and the inequitable playing field that fiat money inherently creates. Instead of designing a monetary system that benefits its creators and enforces rules from the top-down, bitcoin is a system that removes human bias and imposes rules outside of humanity's incentives. Like gravity or mathematics, it's easier to work in accordance with bitcoin's laws rather than trying to write them yourself. Paradoxically, subjecting our wills to this outside system actually incentivizes cooperation and exchange that benefits all of humanity. Productive value for the economy emerges from real work in the marketplace, not through strategically placed capital allocation in a basket of assets.

Fiat plays to the worst of humanity's emotions – greed and power accumulation. Bitcoin works against the human condition to uphold an economic system that breeds liberty, abundance, and equity among its participants. By forgetting the old ways of keeping your balance sheet stored in fiat-denominated assets and embracing bitcoin's innovation for capital savings, you and your business can enjoy a newfound sense of relief that ever-debasing fiat currencies prevent. Bitcoin sets you up with a long-term financial runway to build from, and lets you focus your energy on providing more value rather than solely trying to keep it.

Opt out of fiat's vicious cycle downwards and uplift your business with bitcoin.



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