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Author Evander Smart

2016-10-04 12:50 PM

# IMF's Christine Lagarde Says Banks Will Adopt Digital Currencies in 5 Years Time

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It was not more than three years ago that the establishment icons of the world like the Wall Street Journal and the International Monetary Fund (IMF) were wholly ignoring Bitcoin and the world of digital currency. It is clear that these innovations and financial advancements like Bitcoin's Blockchain technology cannot be ignored any more.

The Wall Street Journal (<https://cointelegraph.com/news/what-wall-street-journal-readers-think-of-bitcoin>) held a twenty-minute Q&A with one of the world's most powerful financial executives, Christine Lagarde, Managing Director of the IMF, to discuss many topics that affects the economic world we live in. Among the questions posed at the request of people who sent in questions to WSJ's economics editor Sudeep Reddy, included how digital

currencies like Bitcoin (<https://cointelegraph.com/news/bitcoin-boom-town-mexican-bitcoin-exchange-bitso-secures-25-million-investment-round>) would affect the future of economic growth. Lagarde gave a positive response: "Ultimately, I think it will be in the interest of financial institutions to adopt those technologies (digital currencies) because, like any economic player in that field, they want to reach out to new markets. They want to not just keep their market base but expand it. And the way to expand it is to reach out to new territories".

Then Lagarde added:

*"I would be very surprised that if, in 5 years time, many of the existing financial institutions have not adopted those tools."*

This is in stark contrast to the thoroughly dismissive, if not an outright combative response of J.P. Morgan Chase Inc. CEO Jamie Dimon last year (<https://cointelegraph.com/news/jp-morgan-chase-ceo-jamie-dimon-bitcoin-is-going-to-be-stopped>). He received a direct question about the usefulness of Bitcoin last year at a Fortune forum panel discussion in New York. At the time, he said:

*"You're wasting your time (with Bitcoin!) Virtual currency.....that's going to be stopped!"*

On the surface, this makes sense, due to the fact that a banking executive may not see a way to profit from a decentralized currency, so it is of no value to him, in particular. Dimon was much more positive on the use of Bitcoin's Blockchain technology (<https://cointelegraph.com/news/ibm-in-2017-blockchain-will-be-used-by-15-of-big-banks>).

Lagarde also commented on the scope and security of the digital currency world:

*"Now, as far as cryptocurrencies, Blockchains.... How they're going to disrupt, how they're going to secure the confidentiality of transactions, how they're going to form communities, I think we're on the cusp of seeing significant developments."*

She added: "For the moment, the volume is not such that it is either systemic, or a threat, or totally secure, but what we are certain of is that the supervisors and regulators have to keep an eye on that because it can also be a channel for illegitimate transactions. We don't want to see money laundering, financing of terrorism, using those tools."

What is important to understand is the change in the narrative from year to year, and the thoughts of the most elite of economic executives. Like Dimon, she could have been dismissive of the impact of digital currencies (<https://cointelegraph.com/news/can-you-privately-buy-privacy-focused-cryptocurrencies-cash-for-dash-and-monero>), but instead was almost

supportive of the concept and the integration into mainstream financial life in the near future. Two or three years ago, her answer might have been very different. This underscores how far Bitcoin and the related technologies have come, and the growing belief that their eventual future mainstream acceptance is assured.

*"First they ignore you, then they laugh at you, then they fight you, then you win."*

- Mahatma Gandhi

❖ IMF (/tags/imf) ❖ Christine Lagarde (/tags/christine-lagarde)

❖ Banks (/tags/banks) ❖ Digital Currency (/tags/digital-currency)

❖ JPMorgan (/tags/jpmorgan)

Comments

Author Joseph Young

2016-10-04 02:28 PM

## Federal Bank of Atlanta on Smart Contracts: They Will Change Legal Practices

256 Total views

85 Total shares



The Federal Bank of Atlanta and executive director of its Centre for Financial Innovation and Stability Larry Wall released a paper on smart contracts and their potential to change traditional legal proceedings.

Wall writes:

*"In many circumstances, smart contracts may eventually be a more efficient way of contracting than traditional paper contracts."*

Amid the birth of cryptocurrencies in 2009, a significant number of experts emphasized the important role smart contracts (<https://cointelegraph.com/cn/tags/smart-contracts>) could play in establishing various sets of unalterable agreements on an irrefutable ledger.

Some argued that the integration of data onto a secure Blockchain network would allow businesses, individuals and organizations to benefit from the presence of a fixed set of agreements that cannot be changed without tampering the network.

Some cryptocurrency networks like Bitcoin which operate on a substantially high hash power are virtually impossible to breach, due to the rising number of miners and the contribution of their computing power into the network.

### Inefficiency of paper contracts

Wall, in his recent paper entitled "Smart Contracts in a Complex World" (<https://www.frbatlanta.org/cenfis/publications/notesfromthevault/1607>) explored the inefficiency of paper contracts in legal proceedings, which is primarily caused by ambiguity in the language of the law.

The majority of contracts that are formed between two parties to ensure the fulfilment of the established agreements are often incomplete, because of the difficulty in stating every possible situation where the contract can be utilized.

"Halonen-Akatwijuka and Hart (2013) observe that traditional contracts are often incomplete, even though the outcomes are verifiable, are easy to describe, and appear relevant. One example they give is that contracts often leave unspecified what happens if there is a breach of contract by one of the parties. Halonen-Akatwijuka and Hart (2013) hypothesize that incomplete contract terms may make renegotiation less costly or more efficient," wrote Wall.

### Inability to renegotiate is a problem

As such, Wall believes smart contracts demonstrate a series of major advantages of paper contracts.

However, Wall states that there two major problems with smart contracts:

1. Technical and security issues (code)
2. Inability to renegotiate

In his paper, Wall used the DAO hack to explore the vulnerabilities of smart contracts. Despite his accurate assessment of the DAO hack, he makes a fundamental error by generalizing that smart contracts are vulnerable.

### Security Issues

The DAO, which was based on the Ethereum network, is an independent software separate from the Ethereum network. The bugs or the vulnerabilities that arose in the DAO network must be attributed directly to the responsibilities of the DAO development team, not smart contracts in general.

Thus, it is inaccurate to note that smart contracts have weak security measures using one example of a smart contract-based platform.

### The future of smart contracts

In the final section of the report, Wall does emphasize that smart contracts may be a more efficient way of contracting than traditional paper contracts.

"The lesson from this discussion of the DAO's experience is not that smart contracts are an inherently bad idea," wrote Wall.

🏷 Smart Contracts (/tags/smart-contracts)

🏷 Banks (/tags/banks)

🏷 Security (/tags/security)

Comments

Author Joël Valenzuela

2016-10-02 11:51 AM

## Israeli Firm Claims It Can Break WhatsApp's Encryption from Backpack

2782 Total views

254 Total shares



An Israeli surveillance firm claims it can break the encryption (<http://www.forbes.com/sites/thomasbrewster/2016/09/29/wintego-whatsapp-encryption-surveillance-exploits/#cad8f7adade0>) behind the popular messaging app WhatsApp.

Wintego claims it can compromise the data transmitted in encrypted conversations contained in WhatsApp through a program called CatchApp. According to brochures handed out at a recent policing event, CatchApp uses a man-in-the-middle attack to intercept traffic in between the sender and the recipient.

This capability to compromise WhatsApp's encryption is supposedly contained in WINT, a hacking device small enough to be stored inside a backpack. WINT is touted as being able to compromise all user data by obtaining login credentials.

### **Google Allo another encrypted app that could be unsafe**

WhatsApp would not be the first encrypted messenger to run into security difficulties. Faced with increasing market demand for privacy, Google recently released its own encrypted messaging app, Allo. However, according to famed NSA whistleblower Edward Snowden, Allo is so insecure (<https://cointelegraph.com/news/snowden-dont-use-google-allo-encrypted-messenger>) that it might as well be called "Google Surveillance." This leads to doubt in the security of apps run by internet mega corporations such as Allo's Google or WhatsApp's Facebook.

The risk of data loss through hacks is on the rise as large companies are often helpless to protect data. Yahoo recently experienced a severe hack (<https://cointelegraph.com/news/yahoo-hacked-information-on-over-500-million-accounts-compromised>) where a staggering 500 million user accounts were compromised. Apple's iOS 10 release reduces devices' resilience

(<https://cointelegraph.com/news/ios-10-vulnerable-passwords-2500-times-easier-to-hack-than-ios-9>) to hacking attempts, making a brute force attack 2,500 times more likely to succeed.

### As encryption develops, so do the forces trying to compromise it

Faced with increasing challenge from hackers, privacy advocates are engaged in an arms race to make sure encryption is up to speed. A variety of tools (<https://cointelegraph.com/news/5-tools-that-may-replace-tor-as-crackdown-on-encryption-nears>) are in development that promise the next generation of privacy, making Tor's security look insecure by comparison.

In the meantime, however, government forces are doing all they can to stop the spread of encryption. France and Germany are pushing the EU to adopt regulation requiring that all secure messaging apps allow backdoors for law enforcement use, effectively banning end-to-end encryption (<https://cointelegraph.com/news/france-and-germany-want-eu-to-ban-end-to-end-encryption>). In the US the FBI has announced similar plans, stating that they are readying a post-election attack on encryption (<http://thedashtimes.com/2016/09/06/fbi-announces-post-election-attack-encryption/>) sometime next year.

◆ Israel (/tags/israel) ◆ Encryprion (/tags/encryprion)

◆ Google (/tags/google) ◆ WhatsApp (/tags/whatsapp)

◆ Messaging App (/tags/messaging-app)

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Author Guest Author

2016-09-30 05:13 PM

## They Scare Hackers and Spread Bitcoin ATMs: Top 4 Fintech Startups in Hungary

1518 Total views

250 Total shares



New enterprises of the finance world – Fintech startups – answer the challenges of the 21st century in digital language. They are not just experts in finance but in technology as well, therefore they can react to the market's and clients' demands much quicker.

Hungary's Fintech sector is teeming with good ideas (<http://www.bitcoinbazis.hu/fintech-szektor-startupjai/>). Cointelegraph takes a look at some promising, internationally successful Fintech companies.

### **IND Group and the digital banking experience**

Founded in 1997, IND Group (<http://www.bloomberg.com/Research/stocks/private/snapshot.asp?privcapid=59148780>) provides integrated front-office solutions mainly to banks and financial institutions. IND is a prosperous Central European company, winning one professional award after another. Different solutions such as mobile-apps and websites are able to connect to their self-developed front-end platform. We can typically meet the company's products when we use internet banking.

People's aversion toward banks usually stem from the fact that banks think in terms of products – therefore we clients do not feel the process is personal. This is what IND aims to change. Accessibility, comprehensibility, usability and security. These are the aspects that they consider most important while continuously building online interfaces of mobile and internet banking.

In 2014 IND was taken over by the world's leading financial software company Misys (<http://www.misys.com/>). Since then IND functions as a separate division of the London-based company. The goals did not change, user experience is still the crucial point.

### **Shinrai and the Bitcoin ATM in a Budapest ruin pub**

Shinrai is another company that was founded in Budapest but is now controlled from London – they are a Fintech startup fighting for widespread Bitcoin use. They operate Hungary's first online Bitcoin exchange Mr. Coin (<https://www.mrcoin.eu/en/home>), and they installed the country's first Bitcoin ATM in one of the most popular ruin pubs (<http://ankerklub.hu/>) of Budapest in August of 2014.

With their marketing strategies, they target the Millennials because this generation is the most open towards the world of digital currency. Although they relocated their headquarters to the British capital they still have strong connections with the Central European region, and Mr.Coin services many clients from those regions of the planet that allow bank transfers. The platform developed by the company offers an easy and safe place to exchange virtual currency.

For us Europeans it is hard to imagine that in certain parts of the world not all people have bank accounts. Shinrai (<http://www.shinrai.co/>) believes that everyone should have access to such basic financial services, even if their home country yet lacks the required infrastructure. It seems evident to use a Bitcoin account in such cases, which you require just a smartphone and an app downloaded – it seems so obvious, yet it isn't.

Realising the problem Shinrai developed a payment platform that encourages banks and financial service providers to join. With the help of this platform they can connect themselves – and the advanced western world – to the economies of developing countries. The secret to Shinrai's success is not just innovation, but the idea of commitment to predictability and sustainability.

### **Seon and I'm not a robot**

Online scams are a booming business, but there is a Hungarian startup that aims to filter out hackers and prevent the damage caused by them. The API developed by Seon (<https://seon.io/>) helps in any online transactions when there is a need to identify the user such as web-based registrations and logins.

Seon primarily provides a secure environment for websites and sites that handle financial transactions, but beyond e-commerce it is also able to filter out bots in online voting.

The program constructs a profile of the user based on hundreds of variables such as IP addresses, email addresses, credit card numbers, publicly shared social media content, and it also recognises users behind VPN networks. An important part of the software is that it monitors the client's previous purchases, the location of these transactions, and the devices used. Personal data is of course handled in the strictest, most secure means. Based on the collected data, the system estimates the risk of the user and their initiated transactions. The client is then able to oversee the users' profiles on the admin interface and can block the suspicious ones.

Being a new startup, API is still in the beta-testing phase but it is free for anyone to try in the first month, afterwards you need to pay \$0.03 per transaction. The low price is to establish competitiveness but we hope that based on user feedback and experience we can soon share Seon's international success with you.

### **Tresorit and the \$50.000 prize**

The Laboratory of Cryptography and System Security, or CrySyS Lab (<https://www.crysys.hu/>) for short operates in the Department of Networked Systems and Services at the Budapest University of Technology and Economics. Many startups originate from the group of young researchers, one of them is Tresorit.

Tresorit (<https://www.tresorit.com/>) took the startup world by storm with their end-to-end encrypted cloud-based file sharing system. Tresorit's file storage system is similar to that of Dropbox. The difference is that while Dropbox allows service provider access to files, Tresorit does not. The files uploaded to Tresorit's cloud-based storage get encrypted while transferring and the storage therefore only contains the encrypted files. This makes it impossible for anyone – even for storage and service provider – to access these files without possessing the encryption key. This also means that users themselves may lose access if they should lose their key.

The system is currently in a beta stage, anyone can register a 5Gb free account by downloading the client software from the company's website. Currently they are testing the base systems, meaning that they will incorporate much of the user feedback to the final product. Amongst the plans is a new management interface that will allow bigger companies to incorporate and operate the system.

Tresorit offers a \$50.000 bounty for anyone that can gain access to simulated client data stored in a separate server. More than 1000 hackers have tried yet none of them have succeeded. The offer still stands, so give it a shot!

*By Laura Somfai (<https://twitter.com/LauraSomfai>)*

*Prepared with the help of <http://www.bitcoinbazis.hu> ([http://www.bitcoinbazis.hu/](http://www.bitcoinbazis.hu))*

◆ Hungary (/tags/hungary) ◆ Startups (/tags/startups)

◆ Bitcoin ATMs (/tags/bitcoin-atms) ◆ Hackers (/tags/hackers)

◆ Security (/tags/security) ◆ FinTech (/tags/fintech)

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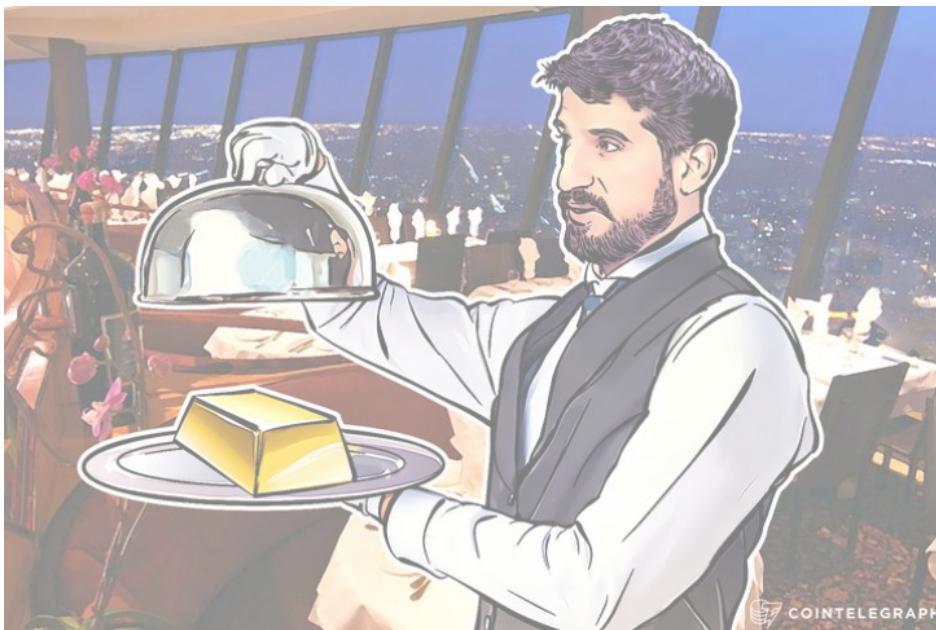
Author Joseph Young

2016-09-30 04:35 PM

## Paxos (ItBit) and Euroclear to Deploy Blockchain Network For Gold Markets

1070 Total views

124 Total shares



 COINTELEGRAPH

Paxos, a Blockchain company formerly known as ItBit, announced (<https://www.finextra.com/pressarticle/66331/euroclear-blockchain-targets-bullion-markets>) its strategic partnership with Euroclear to deploy a Blockchain settlement service for gold markets.

### London Bullion Market integration

Euroclear, the world's largest Belgium-based asset and securities settlement cooperative founded by J.P Morgan & Co (<https://cointelegraph.com/news/jp-morgan-ceo-we-will-compete-with-bitcoin-startups-partnering-where-it-makes-sense>.), attended the SIBOS Annual Conference in Geneva, Switzerland with Paxos to announce their joint project and explain the importance of a secure and efficient infrastructure in unsystematic gold markets.

The Paxos-Euroclear gold market-focused Blockchain settlement solution will be the first of its kind and most likely the only Blockchain settlement platform to be integrated by a major market like the London Bullion Market.

Paxos CEO Charles Cascarilla believes that a robust and secure Blockchain-based infrastructure will enable the London Bullion Market as well as other leading gold exchanges to autonomously process trades and increase the efficiency of the post-trade process.

### Focus on private Blockchains

The team behind Paxos, which rebranded (<http://www.prnewswire.com/news-releases/revolutionary-blockchain-technology-firm-paxos-unveiled-today-300326663.html>) from ItBit (<https://cointelegraph.com/news/itbit-set-to-become-first-us-regulated-bitcoin-bank>) to focus on the development of private Blockchains, plans to create a beneficial ecosystem for all investors and stakeholders in bullion markets by creating a unique technology called "Bankchain," which will operate as the foundation of the entire Blockchain settlement platform.

"We are coming to market with a ground-breaking offering that will drastically impact the post-trade process and overall trading infrastructure within the global gold market," explained Cascarilla. "This product represents the first concrete Blockchain used case for gold settlement in the London Bullion Market and is poised to benefit all investors and key stakeholders through our revolutionary Bankchain™ offering," he added.

Euroclear and its Innovation department also feels entitled and responsible for bringing innovative technologies that hold the potential in optimizing settlement operations and trades in major markets.

Considering the size and the volume of gold markets and daily trades, Euroclear Managing Director and Global Head of Innovation Luc Vantomme believes the introduction of a reliable post trade service and settlement platform is vital for each stakeholder and investor in the gold market.

"As a neutral market infrastructure, with a track record of providing high quality and reliable post-trade services to some of the world's leading financial institutions, we are adopting a collaborative approach wherever possible, working with third-party innovators in ways that rewards their innovation while simultaneously giving us flexibility," explained Vantomme.

Ultimately, Euroclear and the Paxos development team are looking to help global gold markets and exchanges decrease the massive costs and fees involved in post-trading and settlement of trades by implementing the Blockchain technology and the Paxos Bankchain.

◆ [Paxos \(/tags/paxos\)](#)

◆ [ItBit \(/tags/itbit\)](#)

◆ [Gold \(/tags/gold\)](#)

◆ [Euroclear \(/tags/euroclear\)](#)

◆ [Blockchain \(/tags/blockchain\)](#)

◆ [Charles Cascarilla \(/tags/charles-cascarilla\)](#)

◆ [Partnership \(/tags/partnership\)](#)

Comments

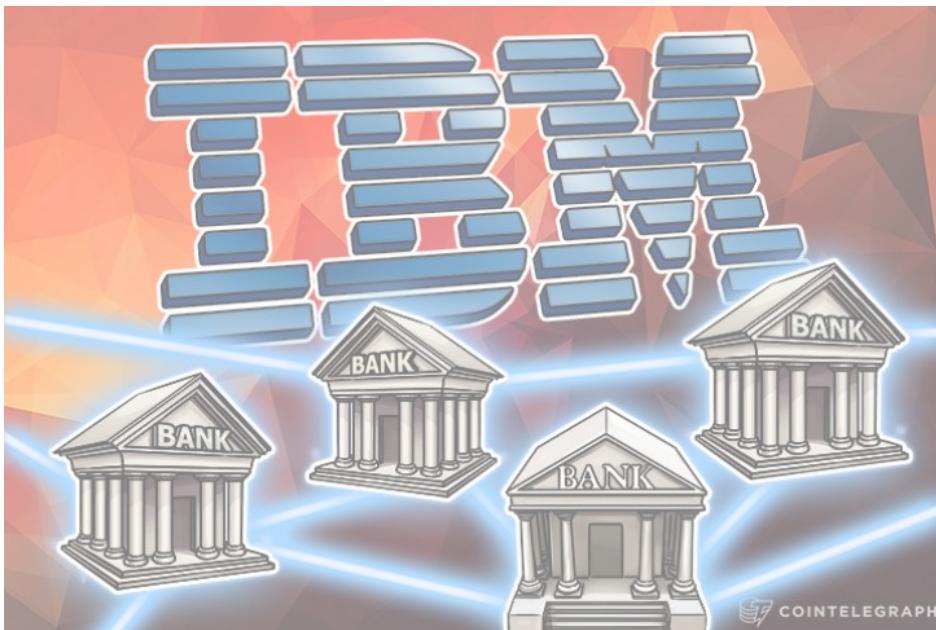
Author Joseph Young

2016-09-30 01:37 PM

## IBM: In 2017, Blockchain Will be Used by 15% of Big Banks

3528 Total views

816 Total shares



IBM's recently released report suggests the Blockchain technology will be implemented by 15% of big banks by as early as 2017.

The American tech giant recently announced the development of its independent Blockchain networks capable of operating on smart contracts utilized by the world's leading financial institutions and businesses.

### Trailblazers Setting the Pace

In coordination with the development of its Blockchain services, IBM has published two new studies entitled "Leading the Pack in Blockchain Banking: Trailblazers Set the Pace" and "Blockchain Rewires Financial Markets: Trailblazers Take the Lead," based on a survey the firm has conducted on 200 global financial establishments.

Upon the completion of the IBM survey, the IBM institute for Business Value (IBV) discovered that early adopters of the Blockchain technology are currently prioritizing the development and deployment of Blockchain networks due to their promising potential in the financial sector.

"There are many advantages to being an early adopter of the Blockchain technology," said Likhit Wagle (<http://www.prnewswire.com/news-releases/blockchain-adoption-moving-rapidly-in-banking-and-financial-markets-some-65-percent-of-surveyed-banks-expect-to-be-in-production-in-three-years-300335472.html>), Global Industry General Manager, IBM Banking and Financial Markets. "To start, first movers are setting business standards and creating new models that will be used by future adopters of Blockchain technology. We also discover that these early adopters are better at anticipation of disruption, fighting off new competitors along the way."

### Bank's Motivation Behind Blockchain Development

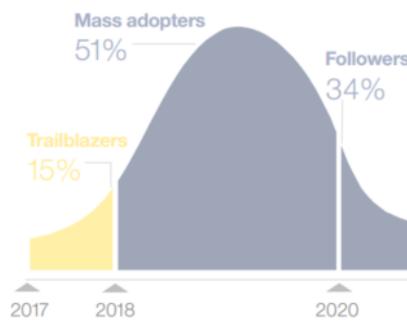
The studies of IBM unravelled that the strong motivation behind banks and financial institutions to successfully implement the Blockchain technology results from their vision of unifying most of the bank's services and platforms

into one single channel.

Banks believe that the Blockchain technology holds the potential in the majority of finance and data-reliant industries such as reference data, retail payments and consumer lending. Considering that these areas are normally overseen by an independent department, banks state that a Blockchain-based unified platform could lead to more cost-efficient and secure operations.

As a direct result of this vision, fifteen percent of banks and 14 percent of major financial institutions that participated in the IBM survey explained that commercial Blockchain solutions (<https://cointelegraph.com/news/the-17-trillion-reason-banks-prefer-blockchain-or-distributed-ledger-over-bitcoin>) will be fully implemented and deployed by 2017.

**Figure 1. First to finish: Respondents' expectation of when they will have blockchains in commercial production and at scale**



"In effect, 2017 looks to be the year banking on Blockchains shifts from zero to sixty. Firstmover advantages for this group include the ability to influence and set the business standards by which others will operate," read a section of IBM's study. (<https://www-01.ibm.com/common/ssi/cgi-bin/ssialias?htmlfid=GBP03467USEN&>)

Banks and financial institutions are also becoming significantly more active in various conferences and events established for the enhancement and development of Blockchain networks.

◆ IBM (/tags/ibm)

◆ Blockchain (/tags/blockchain)

◆ Banks (/tags/banks)

Comments

Author Joseph Young

2016-09-28 07:09 PM

## Final Countdown: Bitcoin Core's Segwit to be Released After Long Testing

2696 Total views

258 Total shares



Bitcoin Core's innovative solution designed to scale the Bitcoin network by moving witness data outside the traditional block structure is finally approaching its release.

The Bitcoin Core team announced on Twitter that the Segregated Witness release is on its "final countdown," with various tests and necessary information in place to upgrade the Bitcoin network.



**Bitcoin Core Project**  
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[#segwityoutube.com/watch?v=9jK-Nc...](#)

10:58 AM - 27 Sep 2016

110 143

Segregated Witness is a sophisticated scaling technology designed to provide two major benefits to Bitcoin miners, users, and businesses: elimination of malleability and capacity increase. Initially, the Segwit proposal was drafted as a solution to the ongoing block size debate. It attempted to decrease the block size of the Bitcoin network by allowing new-style blocks to hold more data than older-style blocks.

The Bitcoin Core team and the majority of the Bitcoin community believed that Core's Segwit is the right way to approach the block size debate, instead of the irrational implementation of hard forks that may potentially cause harm to the network.

### Long testing periods

Segregated Witness required an unparalleled volume of testing and analysis as it makes important changes to the peer-to-peer network code. To ensure a safe and secure deployment of Segwit, Core developers ran extensive tests to measure the performance of Segwit and its overall impact on the Bitcoin network.

To Bitcoin Core's credit, the code of Segregated Witness was fully operational by the end of 2015, despite heavy criticisms that the development team has received over the past 12 months for their "inefficiency." Since then, Core in collaboration with various wallet service providers and Bitcoin-based platforms that ran tests in segnet, which also enabled wallet operators to test their code for generating Segwit transactions.

This period of time proved to be a crucial stage in the development and deployment of Segwit, as the Core team were able to discover some issues and implement solutions for permanent fix.

The Core team ran another Segwit network test on Bitcoin's testnet, which conducted a wider range of tests with other programs that were not upgraded for Segwit. Immediately after the tests were conducted on Bitcoin's testnet, Segwit author Pieter Wuille submitted the second and final pull request containing all improvements revised and reviewed (<https://bitcoincore.org/logs/2016-05-zurich-meeting-notes.html>) by twenty Bitcoin Core developers.

As Segwit approaches its final countdown, it is important to understand the benefits of the scaling technology and its overall impact to the network. It serves a solution to both the limited block size and third-party transaction malleability, which is presumed to significantly improve the Bitcoin network in terms of performance and security.

Supporters of Segregated Witness and the Bitcoin Core development team are also excited and interested that alternative proposals like the lightning network, RSK, and hivemind will be built and deployed after the release of Segwit.

➔ Bitcoin (/tags/bitcoin)

➔ SegWit (/tags/segwit)

➔ Bitcoin Core Ddeveloper (/tags/bitcoin-core-ddeveloper)

## Comments

Author Olusegun Ogundeleji

2016-09-28 05:05 PM

## 100 Zimbabwean Women Farmers Will Learn Power of Bitcoin

3758 Total views

1480 Total shares



Zimbabwean women farmers will be given Bitcoins which they can redeem for goods at selected suppliers.

Put together by BitMari (<http://bitmari.com/>), the first black owned Bitcoin startup, this first ever Bitcoin accelerator programme for women farmers in Africa is aimed at making the farmers successful and to return the initial investment at the end of the second harvest.

It will also teach them on the usefulness and power of Bitcoin, and train the female farmers to be able to make Bitcoin transfers.

According to BitMari's CEO, Sinclair Skinner, it is important to make women understand how to transfer Bitcoin because: "None of the current methods of financial transactions that many of the unbanked farmers use have the power of Bitcoin."

On what motivated BitMari to decide to devote its time and resources to the initiative ([https://www.tilt.com/tilts/zimbabwe-women-farmers-accelerator-b4163092?s=sm&u=bzim&\\_branch\\_match\\_id=309135313040114091](https://www.tilt.com/tilts/zimbabwe-women-farmers-accelerator-b4163092?s=sm&u=bzim&_branch_match_id=309135313040114091)), Skinner noted via email:

*"We have signed our first bank client and their target industry is agriculture. We are currently awaiting the Zimbabwean regulatory approval of our bank project, and we currently became aware of the severe El Niño draught and cash crisis. The women farmers needed help and we believe the Bitcoin community and technology would be a great resource."*

The idea is to raise US \$22,500 for 100 women farmers. Ten farmers in each of Zimbabwe's 10 provinces will be given Bitcoin on their free BitMari Bitcoin Wallets.

Just like Bitcoin, which removes the need for large middleman in financial transactions, Skinner said the crowdfunding project is unique in a way as it eliminates the need for large NGO bureaucracies to facilitate aid to the final users.

Bitcoin/altcoins were chosen for the fundraising because they are the fastest and most efficient way to move funds across borders. A key highlight of the fundraising is the featuring of the infamous one billion Zimbabwe dollar notes as a reward for crowdfunders.

◆ [Zimbabwe \(/tags/zimbabwe\)](#) ◆ [Bitcoin \(/tags/bitcoin\)](#)

◆ [BitMari \(/tags/bitmari\)](#) ◆ [Sinclair Skinner \(/tags/sinclair-skinner\)](#)

◆ [Women \(/tags/women\)](#) ◆ [Farms \(/tags/farms\)](#)

◆ [Unbanked \(/tags/unbanked\)](#)

#### Comments

Author Joseph Young

2016-09-28 02:30 PM

## Scaling Bitcoin Conference Criticized For Rejecting Bitcoin Unlimited Proposals

2045 Total views

280 Total shares



The organizers of Scaling Bitcoin Conference (<https://scalingbitcoin.org/milan2016/#workshop>), which is supported by the Bitcoin industry's leading companies including Blockstream, BTCC, Kraken, and BitFury, were criticized by the Reddit BTC community for rejecting all four proposed presentations from the Bitcoin Unlimited team.

Scaling Bitcoin Conference workshops and conferences are designed to discuss the implementations of various innovative technologies in scaling the Bitcoin network efficiently and securely. The industry's top wallet service providers, exchanges, trading platforms, and mining companies sponsor and host the workshops with hopes to reach consensus in scaling the network.

Many members of Reddit BTC, an online community established by Roger Ver and other pro-big Block supporters, have criticized the organizers of Scaling Bitcoin Conference for rejecting presentations of the Bitcoin Unlimited team, after receiving their sponsorship.

### Rejected presentations

Bitcoin Unlimited, a project dedicated for the implementation of a hard fork designed to increase the Bitcoin Block size, is listed as one of the bronze sponsors of the workshops and conferences. The online community outraged over the fact that the Unlimited team received a series of emails regarding the rejection of their presentation after the Scaling Bitcoin organizers received sponsorship from the team.

Sickpig, one of the members of Bitcoin Unlimited, stated (<https://bitco.in/forum/threads/gold-collapsing-bitcoin-up.16/page-804#post-28825>) that the Bitcoin Unlimited team received 3 separate emails from Scaling Bitcoin Program Chair Matt Corallo, which explained that the proposals weren't accepted because they weren't "up to par."

Andrew Stone (theZerg) and Peter Rizun received similar emails from the team regarding the rejection of their proposals. Rizun further stated (<https://bitco.in/forum/threads/gold-collapsing-bitcoin-up.16/page-804#post-28825>)

28830) that the rejected presentations were:

- Xthin: A Bloom Filter Based Technique to Improve Block Propagation Across the P2P Network
- Subchains Facilitate On-chain Scaling and Fast Transaction Verification
- Scaling Bitcoin by Sharding the Blockchain

Some members of the Reddit BTC community suspected that the presentations were rejected because thin Blocks are already running on the network and sharding the Blockchain presentation were introduced last year.

Although it is highly unlikely that these presentations were rejected simply because they supported Bitcoin Unlimited, it is becoming a controversial discussion amongst Core and Unlimited supporters.

➔ Bitcoin (/tags/bitcoin)

➔ Bitcoin Conference (/tags/bitcoin-conference)

➔ Bitcoin Community (/tags/bitcoin-community)

Comments

Author Evander Smart

2016-09-28 10:05 AM

## Microsoft and Bank of America Begin Making Beautiful Blockchains Together

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2665 Total views

365 Total shares

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It wasn't but a couple of years ago when the world's largest banks and corporations were busy dismissing and openly mocking Bitcoin and anything associated with it. Now, the world's largest corporations can't get enough of its technology and now refuse to be left to their own patchwork of systems that Bitcoin has now made obsolete.

On Tuesday, Microsoft and Bank of America/Merrill Lynch announced a new landmark partnership (<https://news.microsoft.com/2016/09/27/microsoft-and-bank-of-america-merrill-lynch-collaborate-to-transform-trade-finance-transacting-with-azure-blockchain-as-a-service/>) to use Bitcoin's Blockchain technology to improve financial transactions between consumers, business, and the banking industry. The announcement was made at the annual three-day Sibos conference in Geneva.

"By working with Bank of America-Merrill Lynch on cloud-based blockchain technology, we aim to increase efficiency and reduce risk in our own treasury operations," announced Microsoft chief financial officer Amy Hood. "Businesses across the globe – including Microsoft – are undergoing digital transformation to grow, compete and be more agile, and we see significant potential for Blockchain to drive this transformation."

### Azure's integration

At the core of the collaboration will be Microsoft's Azure platform (<https://cointelegraph.com/news/microsoft-still-accepts-bitcoin-payments-but-azure-may-use-ethereum>), introduced last November, which was designed towards being a testbed for Blockchain technology applications. As has been the case for many years inside of Bitcoin's protocol, the key benefit for this application will be creating far faster, cheaper, more efficient transactions than the current legacy banking systems can employ.

Industries around the world, banks, in particular, are looking to find ways to become as efficient as Bitcoin's digital currency system without decentralizing their business model. Integrating some version of the Blockchain technology may help them improve Bank of America's

(<https://cointelegraph.com/news/bitcoin-monopoly-bank-of-america>) operations over the coming years. Development and testing of the initial application, built to optimize the standby letter of credit process, is already in progress.

"The potential benefits of Blockchain will help drive meaningful supply-chain efficiencies to the clients of both Microsoft and the bank. This project is another example of our continued commitment to introduce financial innovations for the betterment of global commerce," said Ather Williams, head of Global Transaction Services at Bank of America Merrill Lynch.

This is quite a big deal, given the fact that Microsoft (<https://cointelegraph.com/news/microsoft-supports-ethereum-classic-hosts-meetup-with-charles-hoskinson>) has done a very good job of integrating their Azure platform into the global banking system already. More than 80 percent of the world's largest banks are Azure customers already. Furthermore, over 75 percent of the global systemically important financial institutions are using Azure.

Who knows? Maybe they can get the current three-day wire transfer system cut down to two or three hours within the next two to three years. This would still take considerably longer than the average Bitcoin (<https://cointelegraph.com/news/bitcoin-is-undervalued-as-volumes-of-over-the-counter-and-exchange-markets-in-china-show>) transaction, but hey, nobody's perfect.

◆ [Microsoft \(/tags/microsoft\)](#)

◆ [Bank of America \(/tags/bank-of-america\)](#)

◆ [Blockchain \(/tags/blockchain\)](#) ◆ [Partnership \(/tags/partnership\)](#)

◆ [Azure \(/tags/azure\)](#)

Comments

Author Joseph Young

2016-09-26 02:38 PM

## Korean FinTech Startups Accuse Apple Pay of Violating Law, Complain to Government

1572 Total views

216 Total shares



South Korea's leading Fintech startups are set to file a petition with the Korean Fair Trade Commission (KFTC) against Apple for their violation of local laws on consumer protection. The group of companies includes award-winning NFC service provider Hankook NFC Co., KTB Solution and Interpay Co.

Various Fintech organizations like Korean Finance Association (KORFIN) believe that Apple's NFC function limitation restricts external app developer's access to its near field communication, which ultimately disallows Fintech start-ups and service providers in South Korea from providing NFC services to local consumers.

### Apple iPhone 7's API Lock-down

Apple's new line of smart-phones such as the iPhone 7 and 7 plus explicitly enables Apple Pay to utilize its NFC functions, which prevents other external NFC-reliant services from operating on the smart-phone.

The API lockdown of Apple's new smart-phones disallows South Korean iPhone users from accessing credit card applications, mobile payment platforms, and other Fintech services that they used on previous iPhones like the iPhone 6 and 6s.

"The companies have been in talks with consumer advocacy groups to overcome technical constraints in bringing the petition under the name of the association," said KORFIN chairman Lee Seung Gun.

(<http://pulsenews.co.kr/view.php?sc=30800019&year=2016&no=657661>) "Due to Apple's closed policy, consumers should not be deprived of opportunities to enjoy various Fintech services."

Hankook NFC, the largest NFC service provider in the country, heavily criticized Apple's restriction on its NFC functions, claiming that South Korean consumers have the right to utilize local payment applications like the users in the United States.

"Consumers have rights to enjoy NFC-based services but Korean consumers cannot use the services even though they purchased the same type of iPhones as those in the U.S. and this is a nonsense," said Hwan Seung-ik, CEO of Hankook NFC. (<http://pulsenews.co.kr/view.php?sc=30800019&year=2016&no=657661>)

## Integration of External Applications

While Apple has locked down its NFC functions, it has integrated alternative payment applications into its iMessage application, enabling a wide range of users to utilize a variety of payment services like Circle's Bitcoin payment and trading platform.

Instead of encouraging developers to design external Fintech services, Apple decided to integrate a handful of applications that have been approved and verified by the Apple development team directly into its system.

If Apple fails or denies complying with the ruling of KFTC, serious consequences may be imposed on iPhone distributors in South Korea.

♦ [South Korea \(/tags/south-korea\)](#)      ♦ [Fintech \(/tags/fintech\)](#)

♦ [Startups \(/tags/startups\)](#)      ♦ [Apple \(/tags/apple\)](#)

♦ [Apple Pay \(/tags/apple-pay\)](#)      ♦ [Applications \(/tags/applications\)](#)

♦ [NFC \(/tags/nfc\)](#)

Comments

Author Shivdeep Dhaliwal

2016-09-26 12:53 PM

## Blockchain-Based Smart Identity Will Free World of Paper ID's

1645 Total views

234 Total shares



A universally compatible Blockchain-based smart identity project by Deloitte has the potential to impact every aspect of our lives. In an era where we are increasingly using mobile and electronic devices to move data around, identity management is still stuck in the era of paper.

Crossing borders, being able to drive, getting benefits from the state, all require some form of paper or plastic based identification. Different public and private organizations routinely request identity information from people and companies and often this information has to be given repeatedly even in one day.

Deloitte is working on a 'smart identity' based on Blockchain technology that aims to solve forever this complex problem and take us out of the era of paper based identification.

### **Blockchain can provide one identity for all**

Letting users manage their own identity and having it verified from trustable third parties can open the doors to an era where we will be free from the shackles of having to keep proving who we are all the time.

Digital identities run on Blockchain chain tech can not only allow individuals and businesses to be verified but also 'things'.

We talked with Alexander Shelkovnikov (<https://uk.linkedin.com/in/shelkovnikov>), Deloitte Ventures and Blockchain Lead in the UK, about how far along the project has come. He says:

*"Smart Identity is a working prototype which is constantly evolving based on real feedback from users. It offers new ways for individuals, organisations and things/objects to obtain and use verified identity credentials to transact with one another."*

## Self-sovereign identity is far away

In an ideal world, people should be able to manage their own identities and be in charge of how these identities are shared. Deloitte recognize the need for this but they think we are far away from that goal. Alexander Shelkovnikov remarks:

*"The end goal is to get to a world where users would be able to own and administer their identities securely and seamlessly. We do, however, realise that it's an evolutionary process and we'd need to go through a number of phases before we are able to reach the state of a truly self-sovereign identity in a way that is accepted and trusted by governments, regulators, financial institutions and more."*

## Identities of people and things

A central question to any sort of digital identity should be who does the identity serve?

When people part with information about themselves, they invariably do so with the expectation that their privacy is maintained and the identity information is used for the purpose for which it is shared. As Alexander Shelkovnikov puts it:

*"The power of Smart Identity is that it's designed in a way that would allow for identities of both individuals, organisations and even things/objects. We don't look at these segments in isolation as increasingly we see the need for interaction and easy interfaces between the consumer and enterprise world when it comes to the provision of different services. As things like self-driving cars, drones and other internet-connected devices become part of our everyday lives, these types of objects each would also need to have an identity record which is secure but, at the same time, easy to administer or, where necessary, to control."*

## Flexibility to operate on any Blockchain

An interesting facet of the Deloitte project is that Smart Identity as a protocol is portable on different Blockchains while the current version of the prototype has been using Ethereum Blockchain. We also asked Deloitte about who is going to hold the actual data and we were told that there is a number of trusted data repositories available but there is also scope for using a hybrid model with a network of trusted custodian services as well as distributed data services in the future.

## The future scope of the smart identity project

In order to migrate from the current system of paper based identity that we have today, there will invariably be the need for all parties involved like governments, corporations and individuals to work in tandem.

Cointelegraph asked Shelkovnikov about the issue of provenance of identification and how it would all work. Deloitte is of the view that provenance can be added later on:

*"The range of identity documents/attributes that can be managed is unlimited, we expect state issued identity documents to be used within the smart identity ecosystem. Importantly however, the provenance itself is not provided when a document is first added to a profile, it is provided by the subsequent digital endorsement of that document by one or more third parties, which is stored alongside an underlying document and verifiable within the Blockchain. Anyone can claim to have driving license X, but only one person is likely to have both a claim, and a supporting endorsement from the issuing authority for a given identity document."*

### Providing identity to those who have none

One of the central problems of the third world has been the millions of people who have no way of proving who they are thus getting deprived of essential services and benefits. On the question of whether the Smart Identity solution will be extended to developing countries, Deloitte doesn't see barriers to deploying the technology that it has developed globally without any geographical restrictions:

*"Our intention is to solve the problem of digital identity in a way which allows anyone to participate in the future identity ecosystem without geographical constraint and with zero or very low cost of entry. The current prototype can be thought of as a reference implementation of an underlying protocol (the set of rules which describe how to interact with, how to structure, create and verify identity information), and the real world applications which apply this protocol can be implemented and operated by anyone. Over time this will create a competitive environment within which anyone from an individual to a start-up or even a multi-national organisation can access/provide identity services on top of a decentralised, free-to-access Blockchain verification layer. We work closely with colleagues across the world including third world territories, and expect to see such services emerge in all environments, particularly in areas where social or economic need is greatest."*

🏷 Blockchain ([/tags/blockchain](#))      🏷 Identity ([/tags/identity](#))

🏷 Deloitte ([/tags/deloitte](#))      🏷 Identification ([/tags/identification](#))

Comments

Author Hank Rearden

2016-09-26 11:04 AM

# Bitcoin Advocate Roger Ver on OKEX Case: "They Forged My Signature"

1964 Total views

218 Total shares



In exclusive interview to Cointelegraph, Bitcoin advocate and investor Roger Ver (<https://cointelegraph.com/news/roger-ver-on-bitcoin-scalability-two-bitcoins-are-better-than-one>) has confirmed dragging OKEX Fintech to a Hong Kong High Court over unpaid revenues. Roger Ver accuses the Financial Technology Firm of forgery and unpaid royalties concerning the use of Bitcoin.com.

**Cointelegraph: How can you explain the genesis of the case?**

**Roger Ver:** They signed a contract to rent Bitcoin.com, and then violated that contract. They then produced a fake contract that they forged my signature on to, and violated the forged contract too.

**CT: How much money is involved here?**

**RV:** A minimum of US\$570,000 USD (HK\$4,421,091).

**CT: Why the fiat money is being used here knowing your aversion to that?**

**RV:** Because you can't sue for Bitcoin in court.

**CT: Will OKEX continue to be your partner after resolution?**

**RV:** No, they broke the agreement a long time ago.

## Royalty payment obligation

According to Roger Ver, in December 2014 he rented out Bitcoin.com to OKEX to offer online infrastructure and services for local and international Bitcoin trading platforms.

The Hong Kong Based Fintech firm was obligated to redesign the website, collect revenues from advertising and augment the website's ranking worldwide with Search Engine Optimization (SEO).

The parties consented to use Okcoin.com as the domain name. OKEX was consequently required to pay Roger a US\$10,000 (HK\$77,557) monthly royalty. This agreement was to run for a period of five years, says Ver.

### What broke the camel's back

However, as Roger Ver told CT, OKEX failed to honour their side of the agreement by declining to pay the monthly flow of revenue after 3 months into the five year contract. Allegedly, they then forged a new contract and tried to enforce that. What broke the camel's back was, they again breached the second alleged forged contract.

Roger Ver is asking the Hong Kong High Court to award him a compensatory damage amount of US\$10,000 (HK\$77,557), for the remaining 57 months of the contract bringing the total amount to US\$570,000 (HK\$4,421,091). The contract actually commenced on December 15, 2014.

Considering the huge success of Bitcoin.com, this is a crucial case and a litmus test for the courts on issues concerning Bitcoin.

◆ [Roger Ver \(/tags/roger-ver\)](#) ◆ [Hong Kong \(/tags/hong-kong\)](#)

◆ [Court \(/tags/court\)](#)

Comments

Author Olusegun Ogundesi

2016-09-24 05:01 PM

## Solar Energy Producers To Get Blockchain-Based Currency Wallets in Space

2122 Total views

285 Total shares



SolarCoin Foundation (<http://solarcoin.org/>) (SCF) seeks to make its global Cryptocurrency program that rewards owners of solar power systems the first Blockchain currency wallet in space. It will purchase orbital storage capacity on SpaceBelt (<http://spacebelt.com/>) storage to provide its customers with an inviolable record of their transactions. Blockchain is already being used to track solar power production across the globe (<https://cointelegraph.com/news/blockchain-to-track-solar-power-production-ethereum-to-utilise-the-data>).

The satellite network, designed to provide secure storage and transport of sensitive data, is a way to securely store SolarCoin, says Nick Gogerty, SCF founder.

### Cold storage 40 years plan

In a statement to CoinTelegraph, SCF says:

*"The cold storage is going to be part of the cold storage model used by the SolarCoin foundation. The plan is to have a Logical gap and the extra-territoriality of space for the 40 year plan. The logical gap arises out of the fact that the plan right for cold storage wallets will be off-line and accessible for retrieval using a non-TCP-IP protocol and "hardwired". Thus, the wallets will be logically "off-line" from the internet Ideally, the networks are physically discrete with multiple exclusive fixed retrieval locations."*

Though not available to individuals and/or member states listed on the US Treasury's OFAC list or the UN sanctions list, SolarCoin is given freely to any verified producer of solar energy at the rate of 1SLR for 1Mhw of solar energy produced.

The rewards are converted to Bitcoins that can then be used to purchase goods and services or converted to hard currency in 23 countries after verification is performed by SCF and/or one of its affiliates using a mix of paper and or digital methods based on the size of the installation and amounts being claimed. Producers/owners of facilities greater than 20KW are charged.

The anticipated launch date of the orbital storage is by the end of 2018.

♦ Energy (/tags/energy) ♦ SolarCoin (/tags/solarcoin)

♦ Space (/tags/space) ♦ Cold Storage (/tags/cold-storage)

#### Comments

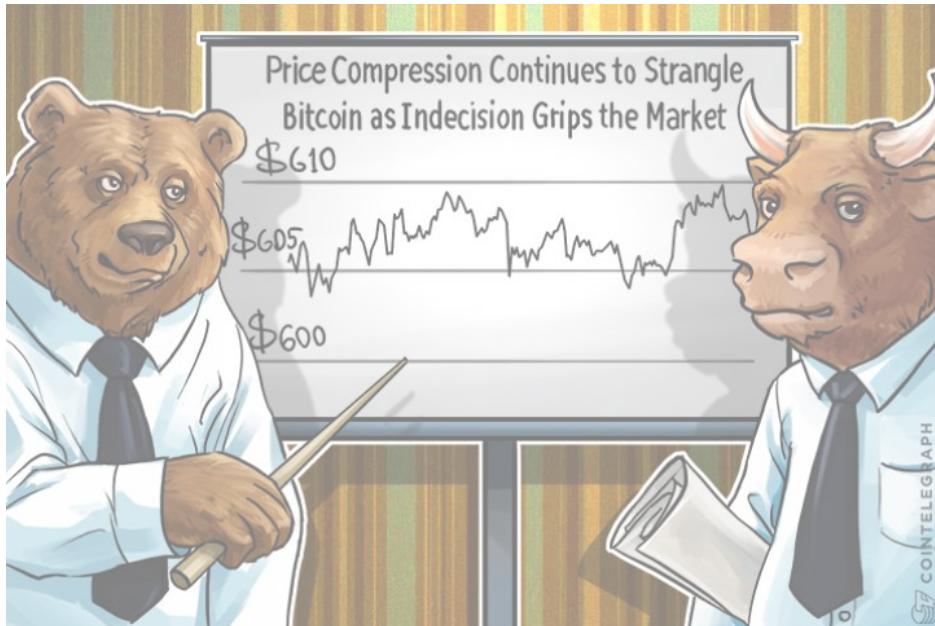
Author Adam Wyatt

2016-09-19 05:07 PM

## Price Compression Continues to Strangle Bitcoin as Indecision Grips the Market

1610 Total views

135 Total shares



*Analytics provided by BBA (<https://www.bullbearanalytics.com/>)*

Bitcoin did see a slight pickup in volatility immediately following the Labor Day holiday in the US, although more recently price has once again fallen into a contracting range. We've seen this play out before, so at least we have an idea of where we are going.

Seeing as though there hasn't been much in the way of noteworthy price action over the past week, we want to shift gears slightly in order to get a better idea of where we sit with regard to the near term cycle that is playing out. On that note, today we are showing our normal longer term chart to put into context just how stagnant the market is getting, and we also present an even more basic chart that focuses solely on volatility (or the lack thereof). Both of these charts will help us suss out the shorter term details while maintaining a prudent longer term view of the market.

To commence this week's analysis, firstly, we want to view and analyze the 3-day chart below that we have been watching for some time. Notice that price has broken above the descending channel that has been intact since June, as well as the fact that price is now above the 38.2% Fibonacci retracement level (a bullish indication). Also, note how the 200-period SMA is still picking up steam to the upside while the A/D line steadies at elevated levels, and the price is still well above both the short and medium term uptrend lines.

Additionally, the momentum oscillators look healthy considering that Willy, RSI, and MACD have all recently broken above their respective centerlines, and it looks to us like we might have a decent fractal of the previous consolidation from earlier in the Spring and Summer working. This would signal a continuation of the sideways action for the time being, and likely for the next month or two, however, we need a bit more confirmation to make this call so we will wait until next week for more evidence. Finally, price is still well outside of the volume profile value area and in a huge notch, so we cannot rule out a spike retest of the low to mid \$500's prior to a resolution higher. Generally speaking, the 3-day chart is telling us to remain patient while the market continues to explore current levels, but it is also telling us to keep buying on larger dips as we remain in a longer term bull market consolidation.



Moving on to the previously mentioned volatility chart, we can see below just how squeezed the market is becoming. Despite more Bollinger Band contraction last month prior to the break above \$600, currently they are contracting once again but this time off a smaller width. We can see this on the middle indicator at the bottom of the chart which shows a pattern of larger BB width expansions at the beginning of the correction, which then becomes smaller in magnitude as it progresses. This is typical of a bull market consolidation. Also, note how the Vix at the bottom of the chart is as low as it has been since late July, and how BB % has re-entered the blue range meaning

price action is tight once again. All of these signals to us that the stagnation is likely to continue over the near term, however a violent breakout in one direction or the other is not that much far off.



Despite the fact that we remain bullish over the medium to long term, as previously mentioned we do think there could be some washout volatility prior to the final move out of this large \$450 – \$700 trading range so caution is still warranted at current levels. A quick spike down into the mid-\$500's prior to a move above \$700 seems well within the range of possibility, and is actually how we are mapping the market for the time being. While September might not be all that action packed, October should bring some fireworks for the Bitcoin traders to play with.

### BullBear Analytics 20% Discount

BullBear Analytics is the longest-standing cryptocurrency forecasters in the market. They started in 2010, doing technical reports in bitcointalk.org, and have evolved into a buzzing community of traders. Adam is BBA's chief analyst. We are offering a special discount to our CT followers, enter 'SUMMER1' at checkout for a 20% discount on all packages (<https://www.bullbearanalytics.com/subscriptions.html>)! (If you're interested in paying in BTC, contact us (<https://www.bullbearanalytics.com/contact.html>) here). Cheers!

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Bitcoin (/tags/bitcoin)

Bitcoin Price (/tags/bitcoin-price)

Comments

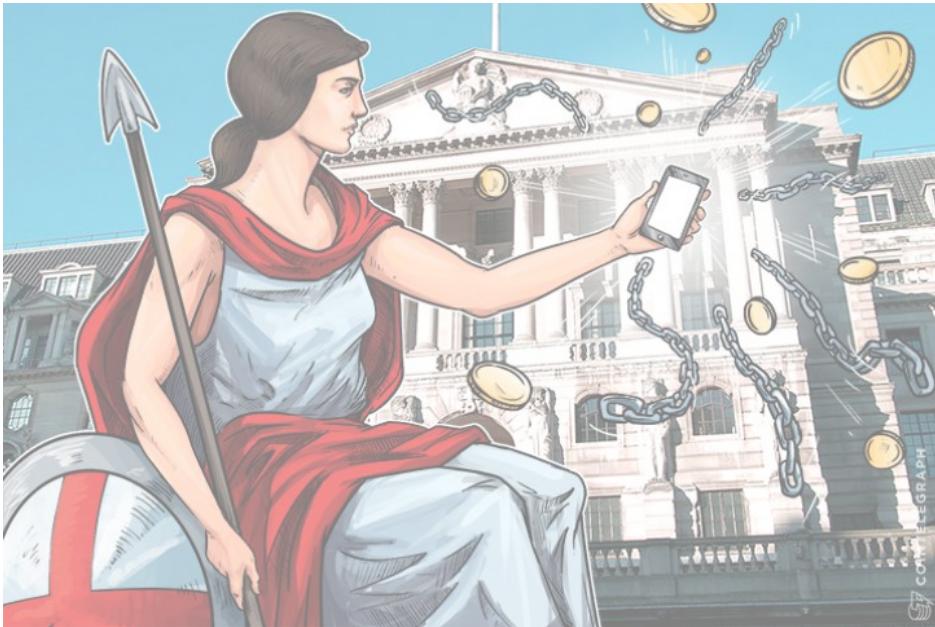
Author Evander Smart

2016-09-18 01:50 PM

# Bank of England Statement on Future Digital Currency and Blockchain Tech

5766 Total views

775 Total shares



Life in jolly 'ole England has been quite turbulent over the past year or so, culminating with the epic Brexit vote this summer, changing the way the nation will do business forever more. This appears to be only the first step in their upgrades for future business initiatives, as the Bank of England has decided to revamp their financial services settlement system to include innovations like Bitcoin's Blockchain technology.

## Bank of England wants to be more inclusive and more compatible

The Bank of England (<https://cointelegraph.com/news/bank-of-england-knocks-down-using-bitcoin-as-form-of-currency>) has scheduled a redesign of their RTGS (Real-time Gross Settlement) system. RTGS is a payment system that provides the platform for central bank reserves in sterlings, or the electronic counterpart to banknotes, as the risk-free means of final payment settlements. On an average day, RTGS settles around £500bn between banks or almost a third of the UK's annual GDP.

This system is integral to the economic stability and future of Great Britain, and the bank has been seeking counsel on future revisions throughout 2016. Speaking with the two dozen users of its RTGS system, they would like to see revisions that which would make growing the network to include smaller clients easier. Other benefits include increased security and compatibility with other financial systems, which are also switching over the distributed ledger systems.

"The new RTGS service must be capable of interfacing with a range of new technologies being used in the private sector, including distributed ledgers, if [and] when they achieve critical mass," the Bank of England says

(<http://www.bankofengland.co.uk/markets/Pages/paymentsystem/strategy.aspx>) regarding Blockchain technology.

While potentially adding Blockchain technology capability to RTGS looks to be a reason for these systematic revisions, distributed ledgers are not expected to become the core of the system, as it is with Bitcoin (<https://cointelegraph.com/news/bitcoin-above-all-first-p2p-transaction-in-space>), for example.

*"The resilience characteristics of the distributed ledger, in particular, are potentially highly attractive from a financial stability perspective. It is however unlikely that this technology will prove sufficiently mature to form the core of the next generation of RTGS, itself."*

There has also been talk of the Bank of England offering its own digital currency, with reports of an RSCoin earlier this year (<https://cointelegraph.com/news/bank-of-england-to-launch-its-own-cryptocurrency>). In their full 58-page consultation paper (<http://www.bankofengland.co.uk/markets/Documents/paymentsystem/cp160916.pdf>) on the subject of this operational reorganization, they address the potential of a new digital currency. Their statement makes it clear that this is on the table, so to speak, but more research on the idea needs to be done.

*"The Bank has a research agenda on digital currencies established for the coming years. The research will analyze the economic and financial stability impact of a potential central bank digital currency, including how it could interact with monetary, financial stability and fiscal policy. The research agenda also includes how a central bank digital currency could be technically implemented."*

Next year, they expect to create an official timetable for the future changes.

◆ [Bank of England \(/tags/bank-of-england\)](#)

◆ [Blockchain \(/tags/blockchain\)](#)

◆ [Digital Currency \(/tags/digital-currency\)](#) ◆ [RSCoin \(/tags/rscoin\)](#)

Comments

Author Hank Rearden

2016-09-18 11:50 AM

## Cashaa, Uber of Money Transfers,

# Revolutionizes Cash Remittances to Africa

2626 Total views

347 Total shares



Another disruptive technology powered by the Blockchain is set to completely eliminate the outrageously high cost of remittances to Africa.

Coin Telegraph Spoke to Kumar Gaurav, Cashaa (<https://cashaa.com/>)'s co-founder & CEO, about how the application can solve Africa's exorbitant cash transfer transaction costs. On average it costs 10-12% to wire cash to Africa, where there is an estimated 80% of the population without access to banking. This is compounded by the lack of a transparent exchange rate. Needless to say many African households depend on remittances from the diaspora. In fact, in some countries remittances dwarf foreign aid.

Cashaa is a peer-to-peer marketplace which enables free cash transfer powered by the Blockchain which can use any kind of digital token or cryptocurrency. The remittance application model is based upon connecting private individuals who wish to send and receive money anywhere in the world. A network of cryptocurrency traders accept the physical cash from the sender in one location and give it to the receiver in another location. Traders then exchange the cash through buying and selling their cryptocurrencies.

The money transfer requests are selected and matched through a live bidding process by cryptocurrency traders. Though Cashaa is powered by Bitcoin traders, the platform is cryptocurrency neutral and can eventually operate through whatever digital currency or token the traders prefer. It enables priority money transfers 24/7 in real time, with a transparent exchange rate. This free money transfer service, along with other features, is one that the cash remittance industry has not seen until now.

## Merging two markets

Coin Telegraph asks Kumar Gaurav, Cashaa's co-founder & CEO, about how the application can solve Africa's exorbitant cash transfer transaction costs.

*"We consider ourselves as an Uber of the cash transfer industry. Cashaa is the first to solve the problem of the single geographical focus by making the cash delivery and entry points peer-to-peer. We developed this innovation by merging two unique markets. Without an official launch of our MVP we already have more than 10,000 plus cash-in/out points in 1040 cities, with this growing day by day."*

### CoinTelegraph: Is Cashaa a solution to the excessive cost of remittances to Africa?

**Kumar Gaurav:** Yes, according to the reports of the World Bank, Africa is one of the most expensive areas in the world to both sending and receiving cash and, at the same time, is one of the fastest growing areas in the world in terms of the penetration of smartphones. Currently, cash remittance institutions are maximizing their efforts to exploit every dollar which is sent or received from Africa. At Cashaa we want to disrupt their plans by starting with a zero fee model to this continent.

### CT: Did you specifically design this with Africa in mind?

**KG:** Cashaa's mission is to provide an empowering platform which facilitates cash transfer with as low a fee as possible to all countries across the globe. Africa is one of the areas where I believe this mission can be accomplished due to the high demand and extortionate current fee structure. This marketplace will get the maximum advantage through Cashaa's system ultimately saving ordinary people billions of dollars, which are currently lost in fees.



Our priority was to make the world of cash transfer more fair and a just marketplace. Therefore, by designing this concept we are aiming at removing

corruption in a society which exploits the common person, in particular those of greater need. Money is simply a form of value transfer, it enables people to buy the real sources of life – food, yet those who grow the food are exploited by the cash remittance industry through extortionately high fees.

I have always been attracted and intrigued by how the banking and financial systems work. I come from a farming family and this experience has helped me to design a solution which has solved a significant problem caused by an overly greedy financial system.

Cashaa is still not globally launched but we expect to launch by the end of this month.

During our trading platform beta test for technical reasons we had selected two countries, the Philippines and Indonesia. The entire \$1.6 M transactions took place only within these two countries. However, during our beta test a few users from African countries signed up to our platform. Having said that, we have not communicated and promoted our service in any ways at all to African countries.

**CT: With no transaction fees, how do you and merchants make money?**

**KG:** We enable traders to trade their cryptocurrencies to the international market, while solving the issue of how they get paid without going through traditional ways such as Western Union or banks etc which eats their advantage of doing international deals. Secondly, our crypto currency traders make money thanks to the cash senders. It drastically increased their trading opportunities and this also remunerates our costs to keep the platform up and running.

**CT: Do you see this as an opportunity for job creation in Africa?**

**KG:** During our development process we considered this very carefully. The Beta test started in April 2016 as an anonymous platform to validate and test this idea. We wanted to get traders feedback from developing countries where technology and education could be a barrier. We had optimized the platform in such a way to make it easy to use without the complexities of a typical trading platform. Cashaa opens doors to allow any individual to start their own business and become self-employed. This is an advantage of the peer-to-peer marketplace model. For example, Uber is creating numerous jobs for their drivers to earn money. In the cash transfer industry Cashaa can facilitate and allow anyone with very little capital to start working as traders (merchants) to buy and sell cryptocurrencies to earn money and work as a cash pickup and end point.

❖ Africa (/tags/africa)    ❖ Cashaa (/tags/cashaa)

❖ Kumar Gaurav (/tags/kumar-gaurav)

❖ Remittances (/tags/remittances)

Comments

Author Jacob Timp

2016-09-18 10:41 AM

# United States Congress Supports Resolution Promoting Blockchain

3009 Total views

511 Total shares



The United States House of Representatives has passed a nonbinding resolution (<https://legiscan.com/US/text/HR835/id/1423419>) calling for an adoption of "a national policy for technology to promote consumers' access to financial tools and online commerce to promote economic growth and consumer empowerment."

## Why The Accelerated Interest?

We have seen relatively little developments in the space of federal regulation on the Blockchain technology and digital currencies. A non-profit called Coin Center reached out to United States representatives communicating their concerns on the developing bill. The letters on issue are available on their website (<http://coincenter.org/entry/letter-of-support-for-congressional-fintech-policy-resolution>).

In July, the declaration was introduced (<http://coincenter.org/link/a-resolution-calling-for-a-pro-bitcoin-national-policy-was-just-introduced-in-congress>) which calls the United State government to develop an updated domestic policy related to technology, specifically referencing cryptocurrencies and Blockchain technology. The bill was introduced by United States Congressman Adam Kinzinger (<http://kinzinger.house.gov/>) of Illinois and is sponsored by Congressman Tony Cardenas (<https://cardenas.house.gov/>) of California.

Following statements from supporters, the resolution passed by a verbal vote earlier this week. The resolution is non-binding, which may be considered a half-measure, is a rather significant leap forward from Congress for the discussion on Blockchain and cryptocurrencies.

The opening remarks on the bill stated:

*"The House of Representatives that the United States should adopt a national policy for technology to promote consumers' access to financial tools and online commerce to promote economic growth and consumer empowerment."*

The resolution occurred months after the United States House Committee on Energy and Commerce (<https://energycommerce.house.gov/>) debated the technology. Notes from supporters on the floor demonstrated a very real interest in the issue among the House members.

Congressman Michael Burgess (<http://burgess.house.gov/>) of Texas, stated at the hearing:

*"There's no doubt that Blockchain innovations are on the cutting edge today."*

## What's Next?

We will see what the next step is for congress and whether or not they will pursue a more substantial bill development for digital currencies and the Blockchain technology. The next session will meet after November's United States elections.

The non-leaning characteristics of the current resolution suggests that a new and updated bill may be released by Congress in the time following.

 [USA \(/tags/usa\)](#)     [US Government \(/tags/us-government\)](#)

 [Blockchain \(/tags/blockchain\)](#)     [Bills \(/tags/bills\)](#)

Comments

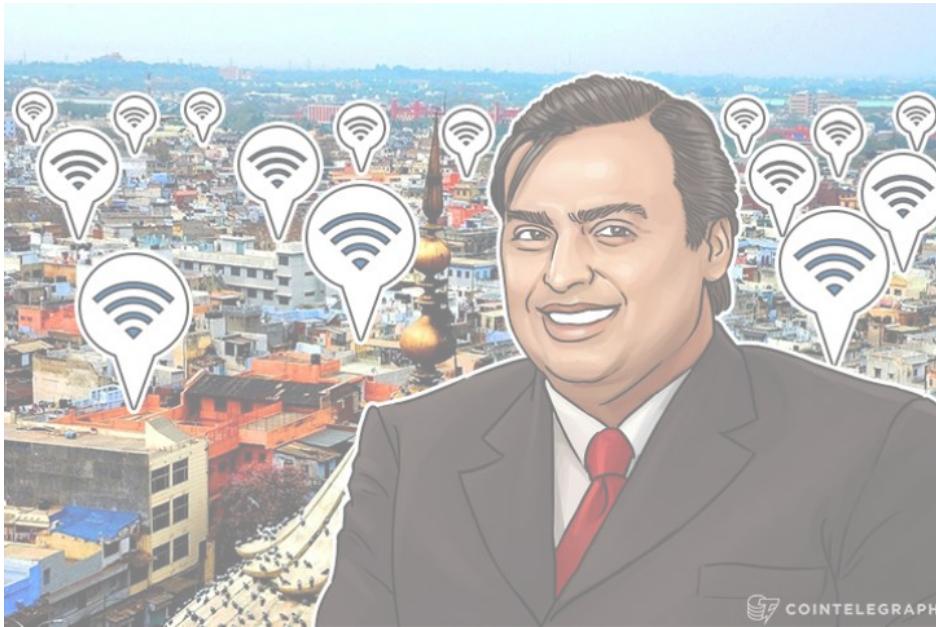
Author Shivdeep Dhaliwal

2016-09-16 02:33 PM

## "Free" Internet to Billion People: Reliance Jio Launches Freebie Frenzy in India

1890 Total views

156 Total shares



Reliance Jio (<https://www.jio.com/>) is just another 4G network in just another country, but that country happens to be India. A land of one billion plus people.

Jio is an offering by Mukesh Ambani (<http://www.forbes.com/profile/mukesh-ambani/>) of the Reliance Group, and the son of Dhirubhai Ambani (<http://business.mapsofindia.com/business-leaders/dhirubhai-ambani.html>), a successful businessman who is legendary in India for his rags-to-riches story.

### What is Jio and why does it matter?

Reliance Jio is a pan-India 4G network which offers both data and voice services. Although there are many companies who offer similar services in India, there is no one who has the reach and the potential that Reliance has.

Reliance Jio was the first operator to get its unified license which their rivals like Bharti, Alrtel, Vodafone and others lack. Jio can now operate across 22 service areas.

### Not the first foray into telecoms

This is not the Ambani family's first foray into telecoms. They had a made a previous attempt way back in 2002, when the company which was then branded as Reliance Infocomm. had used predatory pricing as a strategy to launch a CDMA network. They had at that time given away mobile phones for Rs. 501, or less than US\$10, at today's current conversion rate.

Needless to say, that sort of pricing in a country where many people live on incomes of less than US\$2 a day has managed to attract hordes.

### "Free" internet to a billion people

If there is one thing that the Indian people like it is - free. Reliance Jio is offering free internet to all its users until December 31, 2016, although it is just not the internet which is going to flow free on Jio.

Mashable India ([http://mashable.com/2016/09/01/reliance-jio-launch-tariff-plans-india/#.W2Nc\\_6mwPqy](http://mashable.com/2016/09/01/reliance-jio-launch-tariff-plans-india/#.W2Nc_6mwPqy)) reported Mukesh Ambani, the Chairman of Reliance Industries, as saying:

*"India and Indians cannot afford to be left behind; the era of paying for voice calls is ending."*

What this means is that voice calls on Reliance Jio's LTE network will also be free. Sure enough Mr. Ambani's plan to give away freebies has attracted the masses again with queues of people visible outside Reliance SIM vendors.

Procuring a Jio SIM card is a difficult task as they have become somewhat of a rare commodity as experienced by this writer firsthand a few days ago.

### How do you pay for a massive free lunch?

The question on many people's mind is perhaps how Reliance Jio is able to deliver all this free data and free voice, and the answer may lie in the deep pockets of the parent company.

The Economic Times newspaper writes (<http://economictimes.indiatimes.com/tech/internet/reliance-jio-may-cut-rates-further-to-ramp-up-customer-base/articleshow/54023084.cms>):

*"Its free voice calls and dirt-cheap data tariffs offer might not seem sustainable in the long run, but one mustn't forget that Jio derives its strength from RIL's balance sheet, and can easily treat its pricing model as a business development cost to poach quality customers from incumbents over a period of time."*

◆ India (/tags/india) ◆ Internet (/tags/internet)

◆ Mukesh Ambani (/tags/mukesh-ambani)

Comments

Author Shivdeep Dhaliwal

2016-09-16 09:09 AM

## IBM and Bank of Tokyo Start Blockchain Revolution in Banking, Aim for Complete Automation

2906 Total views

869 Total shares



In what could potentially be one of the first deployment of smart contracts in the corporate sector, IBM comes together with Bank of Tokyo-Mitsubishi UFJ (BTMU) to examine the design, management and execution of contracts among business partners using Blockchain technologies (<https://cointelegraph.com/news/ibm-to-launch-one-of-the-largest-blockchain-implementations-in-the-world>). IBM and BTMU plan to automate business transactions using Blockchain tech developed on the open source Hyperledger project. With this and other projects (<https://cointelegraph.com/news/bank-of-tokyo-hitachi-team-up-for-singapore-blockchain-project-to-digitalize-banking>), Singapore emerges as a world's center for Blockchain development.

### Blockchain in business now a reality

The announcement regarding the deployment of smart contracts was made on September 16, 2016. It is expected that BTMU will be able to use the technology to manage contracts within FY 2017, while IBM and BTMU will be able to deploy the technology to manage contracts between each other by the end of FY 2017.

We talked with Robert Morris (<https://www.linkedin.com/in/robertjtmorri>), Vice President of Global Labs, IBM Research. He explains how it would all work:

*"Smart contract' is a technical term used in Blockchain which refers to application logic that are shared, distributed and executed on Blockchain. What this means is that all of the parties in the transaction could actually be put on a Blockchain where everything is visible and terms can be executed automatically. For example, a smart contract could state that when goods cross a specific point and customs authorities approve it, money flows back from the receiver's bank to the sender's bank immediately with no waiting involved. These contracts sit on the Blockchain, with participants only seeing and signing the part that pertains to their role."*

## IBM has future plans for Blockchain

While the release of the news that IBM has plans to deploy Blockchain along with Bank of Tokyo-Mitsubishi is momentous and underscores the importance of Blockchain technology, IBM is all set to spread its Blockchain wings.

Robert Morris tells Cointelegraph of their future plans, "The London Stock Exchange Group and Japan Exchange Group are a few of the other clients we are working with. However, most of the clients we are working with at this time see Blockchain as a potential competitive advantage and prefer not to go public as yet."

## Benefits for IBM and Bank of Tokyo Mitsubishi

IBM sees advantageous prospects ahead for both parties. It would appear that using Blockchain, IBM would be able to serve its role as a supplier better. We were told that IBM's approach builds in security, identity and privilege not only into the Blockchain network, but in the way contracts are executed. IBM and BTMU plan to monitor the delivery and usage of equipment with a sensor that will add extra information into the Blockchain. This will allow them to automate invoicing and payment processes between the two companies. As for BTMU, the bank's internal processes will be made simpler, more accessible and open.

## Singapore emerges as a center for Blockchain development

We asked Robert Morris about what role Singapore has to play in the future development of IBM Blockchain projects and he was excited about the prospects for the region.

He says, "The Monetary Authority of Singapore is an excellent example of a leading central bank in the world which is encouraging experimentation with Blockchain and engaging industry participants such as the FinTechs (through festivals, hackathons, etc) to help them transform the industry and realize a smart finance infrastructure that benefits everyone in Singapore and the region."

IBM has a center for Blockchain innovation in Singapore, which was the first of its kind in the world and focuses on research and innovation. They are working with MAS, EDB, PSA, IDA and other industry players to explore possibilities in finance and trade. As Robert Morris puts it, "We aim to help make Singapore a top destination for innovation in finance, trade, and commerce and establish it as a global center of deep competence, expertise and industry leadership in enterprise Blockchain and cognitive technologies."

♦ [IBM \(/tags/ibm\)](#)

♦ [Blockchain \(/tags/blockchain\)](#)

♦ [Banking \(/tags/banking\)](#)

♦ [Bank of Tokyo \(/tags/bank-of-tokyo\)](#)

Comments

Author Guest Author

2016-09-14 11:40 AM

# Blockchain Changes Business Model in European Energy Sector, Decentralized Power In View

2277 Total views

451 Total shares



The market for Blockchain applications in energy sector is many times larger than it is for financial sector.

There's a new world of energy, and it's distributed (<http://www.bloomberg.com/news/articles/2016-09-12/bitcoin-technology-harnessed-to-push-electricity-revolution>). Recently, a market selling crude oil for Bitcoin (<https://cointelegraph.com/news/worlds-first-bitcoin-based-oil-market-launched-will-it-be-a-success>) has emerged. Also, the rise of solar and wind power inputs from multiple, decentralized sources is breaking the big utilities' monopoly on energy supply and distribution.

According to Lawrence Orsini, founder of Ethereum dapp developer and energy consultancy LO3 Energy (<http://lo3energy.com/>), various utilities have approached his company for advice not just on handling the growing volume of renewable power inputs, but also to track everything from the charging of electric cars to rooftop solar panels.

## Machine-to-machine economy

This new world is a Blockchain one, where researchers and utilities are using automated Blockchain technology to replace obsolete legacy systems that depend on human input.

Orsini said in an interview to Bloomberg (<http://www.bloomberg.com/news/articles/2016-09-12/bitcoin-technology-harnessed-to-push-electricity-revolution>):

*"There's a change in the business model on the way, and they're [utilities] trying to figure out how to participate in this new world of distributed energy."*

"The old system of a few big power plants and vertically-integrated utilities didn't really need blockchain", says Michael Liebreich, chairman of Bloomberg New Energy Finance.

But the new technologies are advancing rapidly, and the future looks different. German electric utility RWE is testing a Blockchain application with electric vehicle charging.

That makes Carsten Stoecker, a self-described blockchain enthusiast at Innovation@RWE, think big:

*"Our hypothesis is there will be a machine-to-machine economy in which machines carry out transactions among themselves. Decentralized internet technologies like blockchain will become the transaction layer for this."*

## Energy-related Blockchain projects

Vattenfall AB, the largest Nordic utility, struck a bit more cautious attitude. They consider using a Blockchain to handle both internal and external financial transactions "theoretically". The company, however, intends to trial a blockchain app that permits customers to purchase and sell electricity independently of the utility.

Other companies planning energy-related Blockchain-based products include:

Grid Singularity (<http://gridsingularity.com/>), based in Vienna, plans to trial its Blockchain-based platform for buying and selling energy with power plants by the end of the year.

Finland's Fortum (<http://www.fortum.com/>) aims to enable consumers to control appliances over the internet in connected homes.

The rise of renewable energy inputs is leading to a decentralized power grid and this is opening a real role for the Blockchain in the energy sector, at least in Europe.

*By George Donnelly*

➔ [Blockchain \(/tags/blockchain\)](#)

➔ [Europe \(/tags/europe\)](#)

➔ [Enerergy \(/tags/energy\)](#)

Comments

Author lyke Aru

2016-09-14 09:12 AM

# As Governments Across The Globe Discover Blockchain, Red Tape Hinders Progress

1094 Total views

233 Total shares



The ability to increase efficiency has made Blockchain technology appealing to governments. The potential to usurp current business processes with something more efficient (<https://cointelegraph.com/news/bitcoin-vc-tim-draper-blockchain-is-the-perfect-bureaucrat>), while also reducing costs, has captured the attention of governmental bodies (<https://cointelegraph.com/news/a-trap-to-spy-on-benefits-spending-uk-government-tests-blockchain-for-welfare-payments>) across the world.

However, bureaucracy remains a key factor in how soon this disruptive technology (<https://cointelegraph.com/news/8-ways-governments-could-use-the-blockchain-to-achieve-radical-transparency>) will become fully adopted by government institutions.

## Government-inspired Blockchain

Government-inspired Blockchain initiatives are taking shape all over the place. Estonia, Russia, the United States, Singapore, Sweden and South Korea all have programs running right now. There are dozens more having conversations about future initiatives. How long will this "sounding out" process with technology continue with governments?

This year has seen both governments and institutions dip their toes in the water and take those ever-important first steps into the shallow end of the pool.

Jason Cassidy ([https://www.linkedin.com/in/cassidyjason?authType=NAME\\_SEARCH&authToken=cLgx&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CentityType%3AentityHistoryName%2CclickedEntityId%3Amynetwork\\_16089534%2Cidx%3A0](https://www.linkedin.com/in/cassidyjason?authType=NAME_SEARCH&authToken=cLgx&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CentityType%3AentityHistoryName%2CclickedEntityId%3Amynetwork_16089534%2Cidx%3A0)) of Emercoin tells CoinTelegraph that there is enough evidence present to compel all governments to conduct a deep analysis of what Blockchain technology can offer. He says that without going into undue detail, the areas of identity, ownership and payments (taxes, benefits, etc) all offer tremendous opportunity for positive disruption.

Cassidy concludes:

*"Historically, the public sector moves at a slower pace than the private sector. Governments are very process and rules-oriented and, thus, are slow to enact change. Factoring in the potential that Blockchain technology offers it would behove governments to continue exploring what it can do to increase transparency and trust. However, the consciousness of Blockchain is still in its infant stage. I expect to see the adoption of Blockchain technology to become a political conversation piece in the near future. Governments who wish to offer true change to their people will find the Blockchain to be a powerful tool going forward."*

## The job is already half-done

In his opinion, the CEO of Cashaa, Kumar Gaurav ([https://www.linkedin.com/in/kumargauravitc?authType=NAME\\_SEARCH&authToken=SDwS&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A77061741%2CauthType%3ANAME\\_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1473777023868%2Ctas%3Akuma](https://www.linkedin.com/in/kumargauravitc?authType=NAME_SEARCH&authToken=SDwS&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A77061741%2CauthType%3ANAME_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1473777023868%2Ctas%3Akuma)), says that compared to the usual infrastructures used by governments and central banks for their own processes, Blockchain is much cheaper and is itself already a global standard.

Gaurav notes that governments usually have lots of difficulties on agreeing standards, but with the Blockchain it is a system which is already built, up and running, and on which they can make their experiments to test some of their processes. He gives examples of such processes as anything related to the ledgers that governments make available to their citizens, such as new birth registers, cars registry, house registry and any similar ledgers.

Gaurav also says that governments can use the Blockchain for any government-to-government applications, such as the international criminals registry, passport registry and other such cases.

## Bureaucratic bottleneck

However, he blames the relatively slow adoption of the Blockchain by governments on issues related to security and reliability of the technology. Gaurav says that such things are usually the main concern at the top level of governmental key decision making. Another factor noted by Gaurav is the cultural factor.

He concludes:

*"It is never easy to change existing government processes and adopt new disruptive technologies. You need to educate many layers of middle management within the bureaucratic process and it can take a lot of time."*

➔ Blockchain (/tags/blockchain) ➔ Government (/tags/government)

➔ Jason Cassidy (/tags/jason-cassidy)

➔ Kumar Gaurav (/tags/kumar-gaurav)

Comments

Author Joseph Young

2016-09-12 04:31 PM

## Reinventing the Fed: Why Jeff Garzik, Vitalik Buterin Are Against Soft Forks

1547 Total views

214 Total shares



Bitcoin developer and Bloq co-founder Jeff Garzik (<https://www.linkedin.com/in/jeffgarzik>) expresses his opposition on soft forks and its mechanism in which a few group of developers are granted the authority to decide major economic changes which are applied and implemented into the Bitcoin network.

To begin with, soft forks are forward compatible in the sense that old nodes will recognize new blocks as valid. A soft fork requires only a majority of the miners to upgrade to the network rules or face security reduction.

## Centralization

The centralization issue emerges during the process of submitting and implementing a soft fork into the network. When a Bitcoin Improvement Proposal is presented to the few Bitcoin Core developers led by BIP editor Luke Dashjr, the developers decide on a majority consensus whether to accept the soft fork and to implement it into the Bitcoin network.

Garzik heavily criticized the Segregated Witness proposal for the same reason in his Bitcoin Status Report presentation at the OnChain Scaling Conference on August 30, stating that SegWit is ruled by a tiny and a few technocratic elite.

Garzik said (<https://www.youtube.com/watch?v=q7-vNq1x4Yc>):

*"Soft forks very specifically, from an average user point of view, cannot be considered opt-in because the entire network is locked into the new consensus rule, regardless or not."*

He further emphasized that if soft forks tend to be controversial, it is extremely difficult to reverse and challenge. "Controversial soft forks are difficult to reverse or challenge. Each soft fork faces a security reduction if the node does not upgrade," he added. (<https://www.youtube.com/watch?v=q7-vNq1x4Yc>)

Garzik believes that granting a few people in a network utilized by millions of users to create major economic changes sets a negative precedent for Bitcoin and its reliance on decentralization.

Garzik stated ([https://out.reddit.com/t3\\_51mmhe?url=https%3A%2F%2Fvid.me%2Fqvwe&token=AQAAybnWV\\_I\\_-bNw69YyRgVgayTKPuhgS-LqgZmzv2EgZU6T77KU](https://out.reddit.com/t3_51mmhe?url=https%3A%2F%2Fvid.me%2Fqvwe&token=AQAAybnWV_I_-bNw69YyRgVgayTKPuhgS-LqgZmzv2EgZU6T77KU)):

*"The entire network has to follow decisions made by a tiny few and if you start to create a practice or precedent for rolling out economic changes where the only approval for those changes are these tiny, few people, essentially, you're re-creating something that Bitcoin is antithetical to: the Federal Reserve or the FOMC."*

## Political issues

Bitcoin Core developer Peter Todd and Ethereum co-founder Vitalik Buterin recently had a debate on a similar issue when Todd proposed the idea of presenting Zcash, a privacy-focused cryptocurrency, as a soft fork instead of developing an independent currency to compete with Bitcoin.

In response to Todd's soft fork proposal, Buterin argued back stating that it is more important to actually create things than to propose and to have it approved by a select few.



Peter Todd  
@petertoddbtc

31 Aug

The ethics of @zcashco would be a lot simpler if it was a proposed Bitcoin (or maybe even Litecoin) soft-fork.  
[twitter.com/bergealex4/sta...](https://twitter.com/bergealex4/status/737111103100000000)



Vitalik Buterin

[Follow](#)

@petertoddbtc @zcashco Yes, it's so much more ethical to "propose" than to actually build things.

1:51 AM - 5 Sep 2016

4 4 47

While soft forks, in theory, require a consensus from the majority of Bitcoin Core developers, it essentially grants a very few selected members of the network and community to make big changes in the network.

➔ Jeff Garzik (/tags/jeff-garzik)

➔ Vitalik Buterin (/tags/vitalik-buterin) ➔ Soft Fork (/tags/soft-fork)

➔ Peter Todd (/tags/peter-todd)

#### Comments

Author Jacob Timp

2016-09-12 12:49 PM

## Music Platform Raises \$2.5 Million For Blockchain-Based Music Rights Technology

1937 Total views

328 Total shares



Last week music startup Revelator (<http://revelator.com/>) raised around \$2.5 million by offering a new kind of tracking for music rights and for allowing royalties to be more efficiently distributed to the correct owners.

At the heart of their proposed technology is the Blockchain which can be used to effectively record any kind of transaction or event. Similar to other companies, Revelator is finding applications for the Blockchain in other unrelated industries - in this case - music. The drastic efficiency and real-time updating of Blockchain allows Revelator to track the use of digital goods and distribute royalties to their owners when they're due.

Prior to Revelator, musical artists did not receive their owed royalties for weeks and often months. The difficulty and corresponding time period is increased when multiple people split the royalties of the very same song. In fact, Revelator says that half of the royalties owed never get processed because of outdated systems and software.

Bruno Guez (<https://www.linkedin.com/in/brunoguez>), CEO of Revelator, stated in a press release:

*"If you have data every day, why can't we make payments every day? If you had 1,000 downloads, I can pay you \$700 tomorrow."*

### Blockchain is a disruptive technology for the music industry

Blockchain is completely behind the speed increase, and the target audience are any key players in the music industry: artists, rights holders, managers, etc. The technology can be used to track downloads, streams, etc. all to one single platform which can always be relied upon.

"The Blockchain technology does provide a truly disruptive technology for the music industry. It's not the only thing that matters and it won't solve all the problems in the industry, but I do believe our current offering introduces new features for music." said Guez.

As you can probably imagine, Blockchain technology could be applied to almost any scenario where it fills the context, and in any other industry.

"By experimenting now with a small proof-of-concept music library, we're going to be able to open new windows of opportunity for public radio in the future, through experimentation on the Blockchain," stated Meg Siegal (<https://www.linkedin.com/in/megsiegal>), Head of Public Radio BizLab.

In its first round of funding, Revelator pulled in around \$2.5 million led by Exigent Capital (<https://www.crunchbase.com/organization/exigent-capital>). Exigent was joined by the revered Digital Currency Group (<http://dcg.co/>), which invests in Bitcoin and other similar Blockchain companies.

Originally a music company, Revelator has completely transformed because of the implementation of the Blockchain technology, so who knows in which other industries this could also occur in the future. Currently, Revelator is trying to solve the piracy problem for its industry with many more endeavors into the future.

 [Music \(/tags/music\)](#)     [Investments \(/tags/investments\)](#)

 [Blockchain \(/tags/blockchain\)](#)     [Copyrights \(/tags/copyrights\)](#)

 [Revelator \(/tags/revelator\)](#)     [Startups \(/tags/startups\)](#)

Comments

Author lyke Aru

2016-09-10 01:30 PM

## As Blockchain Identity Becomes Real, 2017 Will See An Explosion of Blockchain Profitability

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2892 Total views

508 Total shares



Blockchain identity is already in use in various sectors of data management and technological development. With its applications so far, can we say that the Blockchain has lived up to expectations?

Some experts think it's overhyped, others see that late 2016/2017 will be the year of explosion for real-world Blockchain profitability and usage. That is, as long as politics doesn't get in the way.

### What is Blockchain identity?

Blockchain identity is also defined by Christopher Bates (<https://www.linkedin.com/in/larry-c-bates-99452594>) of Bitland as the representation of a 100% verifiable identity which can be established through a series of security layers and protocols. It is a system which makes it possible for encryption to prevent anyone who doesn't need to see information from accessing it.

Bates explains that this can be applied when working with government oversight, where Blockchain identity could be used to protect Social Security accounts from being pilfered by governments who have overspent on their own budgets.

Bates says:

*"One of the biggest issues is that tax money has no oversight once collected, and something like Blockchain identity could help prevent governments from spending taxpayer's money which wasn't theirs."*

### Unique opportunity for Bitcoin's Blockchain

Blockchain identity, according to Carl A. R. Weir (<https://us.linkedin.com/in/carlweir>) CEO at Aten Group, is an unequivocal immutability for identity in any interlinked electronic mechanism. Weir says

that the convergence from 2014/15 of Mobile/Blockchain/Cloud Computing & Fabric/ IoT have presented a unique opportunity for Blockchain identity to really come to the fore, whether that be in the guise of Bitcoin Blockchain usage, Ethereum smart contracts or Hyperledger of Eris.

### Blockchain identity is based on consensus

According to Bates, the Blockchain isn't the first crowd-computing project, and it isn't the first experiment with distributed computing systems and ledgers. However, the reason that Blockchain identity is unique is because consensus is the basis of identity in many ways. Bates explains that when using the Blockchain a person or organization's identity is not one-sided. Whatever a person or organization expresses as its identity also has to be verified by at least one party to be accepted as the true identity. Bates gives a real life example, saying:

*"If you lose your driver's license, birth certificate, and any state-issued identification, good luck getting a bank account, boarding a plane, or crossing a national border. Having a "digital" and "distributed" consensus-based identity would make it much more difficult for a person to accidentally destroy their own identity."*

Another aspect of the uniqueness of Blockchain identity, as explained by Weir, is that the immutable ID of a Blockchain is per block, per action, per transaction. In addition, it is the encryption that the Blockchain brings which assures uncorrupted identity, and an inability to allow bad actors to change, remove, edit, identity, falsify records or transactions.

### Is Blockchain overhyped?

Some think that the Blockchain as a whole is an overhyped concept which has not lived up to expectations. This is a perception which is also shared by Bates who says to Cointelegraph:

*"I think a lot of the Blockchain is overhyped. The remittance industry has been the biggest overhyped area besides "The DAO." What happens is that the remittance Blockchain rhetoric talks about how Bitcoin is going to save the Third World, but it fails to actually understand or solve the problems that also come with converting "Bitcoin" into "groceries" locally in the Third World. The people spouting the most hyperbolic rhetoric are the ones who will be the last to actually go into Third World countries and "implement infrastructure" to support Bitcoin. They will travel in The West and in Europe to talk about it, but let's see how many of them will actually be going to Ghana, Kenya, Nigeria, Mauritius, Cameroon, or Sierra Leone in the next year."*

### 2016-17 will see a Blockchain explosion

Contrary to this opinion, Weir retains the view that rather than a hype, there has been an overenthusiastic use case attribution in one direction - banking. He thinks that there are other sectors which could have scaled growth much more quickly and made Blockchain technology advances further down the line than they currently are.

He says:

*"I see late 2016/2017 as the year of explosion for real-world Blockchain profitability and usage - as long as politics doesn't get in the way."*

## Real use cases

Weir gives an example of a real-use case of Blockchain identity from an IoT perspective:

*"I go on Rakuten or Amazon and buy an IoT-connected Fridge. I then buy an IoT-connected washing machine. Once installed, I found during the warranty that my fridge didn't remind me to buy washing powder, or that my washing machine didn't tell me that a hand towel is still in the dryer. These are not issues, but what if the fridge and the washing machine has the 'spinning wheel of death' on its screen and my connected IoT devices were not talking at all, or worse, the last reminder entry was corrupted and the washing machine told the fridge to buy 1000 pints of milk? Like the age-old legal case of, if you buy a car from me for cash and you didn't know I had 'chop-shopped' the car then the purchaser is legally bound, not the seller, so like the car, is the fridge or the washing machine liable, and what IoT entity is responsible, and what is covered under warranty for IoT? The solution could be that if a customer has a digital identity held in the Blockchain, and Rakuten/Amazon subscribe to the authentication of that identity, then that identity can be applied to the warranty held in a Blockchain, and if the transaction runs across a Blockchain then the person, to product, to purchase, to usage, can be tracked without error or recourse."*

Meanwhile, Bates also notes that besides Bitland, the Tao network has been making great strides in the music-industry intellectual property rights use-case.

He also mentions that Bitland will be working with Tao to secure the first government-recognized land title on a Blockchain in October, as Tao will be securing the actual copy of the land title, and the Bitland chain will record the relevant information for the title.

Blockpay, he says, has also been working in the area of point-of-sale systems for digital currency, while CCEDK has been a great use-case for an online digital start-up incubator.

As the digital world moves deeper into decentralisation, the echoes of the abilities of the Blockchain has become more resounding. Basically, being a data processing system almost every sector of human development has found at

least a mention of the Blockchain. Some may argue that the Blockchain is overhyped, but the unrelenting encroachment of the system into the various sectors may suggest otherwise.

➔ Blockchain (/tags/blockchain) ➔ Identity (/tags/identity)

➔ BitLand (/tags/bitland) ➔ Aten Group (/tags/aten-group)

➔ Tao Network (/tags/tao-network) ➔ BlockPay (/tags/blockpay)

#### Comments

Author Shivdeep Dhaliwal

2016-09-08 04:47 PM

## Why Goldman Sachs, Other Banks Develop Cryptocurrencies

1949 Total views

219 Total shares



Why banks joined the cryptocurrencies race? To stay relevant, match up to competition, exercise control or defeat existing crypto?



Cointelegraph  
@CoinTelegraph

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Why banks develop their own digital currencies?

11:42 AM - 7 Sep 2016

30% to stay relevant

11% to match up competition

11% to defeat existing crypto

48% to exercise control

146 votes • Final results

13 11

According to the Cointelegraph twitter quiz, over 46% of participants think that banks develop their own cryptocurrencies so they can exercise control.

In a patent application ([http://appft.uspto.gov/netacgi/nph-Parser?Sect1=PTO2&Sect2=H1OFF&p=1&u=%2Fnetacgi%2FPTO%2Fsearch-bool.html&r=1&f=G&l=50&co1=AND&d=PG01&s1=20150332395&OS=20150332395&RS=20150332395?p=cite\\_Brian\\_Cohen\\_or\\_Bitcoin\\_Magazine](http://appft.uspto.gov/netacgi/nph-Parser?Sect1=PTO2&Sect2=H1OFF&p=1&u=%2Fnetacgi%2FPTO%2Fsearch-bool.html&r=1&f=G&l=50&co1=AND&d=PG01&s1=20150332395&OS=20150332395&RS=20150332395?p=cite_Brian_Cohen_or_Bitcoin_Magazine)) filed October 30, 2014, but published only recently, Goldman, Sachs & Co. has made a claim of having developed a new cryptographic currency called SETLcoin that will be held in electronic wallets.

According to the description made in the application:

*"The wallet has the technology to generate, manipulate, and store a new cryptographic currency, referred to as SETLcoins, for exchanging assets, such as securities (e.g., stocks, bonds, etc.) cash, and/or cash equivalents via a peer-to-peer network."*

## Banks are all in for crypto

It seems that the banks have placed all their chips on cryptocurrency. Goldman Sachs has come up with its own flavour and Citibank, too, has a variant called Citicoin.

In August (<http://www.ft.com/cms/s/0/1a962c16-6952-11e6-ae5b-a7cc5dd5a28c.html>), the four big boys of banking namely UBS, Deutsche Bank, Santander and BNY Mellon joined forces to develop their own digital money.

The Bank of Tokyo-Mitsubishi UFJ (MUFJ) is also planning to launch its own digital money according to The Asahi Shimbun (<http://www.asahi.com/ajw/articles/AJ201606100034.html>) and they might actually be the first one to debut this currency around Autumn 2017.

## Bitcoin has proven to work

It seems that the technology behind Bitcoin has now been proven to work. The real world scenario of Bitcoin adoption is a factor which is pushing up confidence in cryptocurrencies and the Blockchain tech behind it. The idea that costs can be cut down and the transmission of money made easier for interbank settlements, as well as P2P transactions, holds sex appeal for these big banks.

As the Asahi Shimbun reports while talking about the MUFG coin:

*"The MUFG coin system will work much like prepaid electronic money, such as "Suica," already widely used in Japan. However, users will be able to remit MUFG coins to others through the Internet at a low commission. The MUFG coins will make it easier, for example, for customers to equally share a bill whilst out drinking or dining."*

## An elegant solution

Blockchain was initially perceived as an existential threat by the bankers and now their attitude seems to have turned to, "if you can't beat 'em, join 'em."

It is a clever move on the part of the bankers because they know that once they step into the game and start issuing their own coins, regulations will have to be brought in and they will apply equally to existing currencies like Bitcoin, Ethereum and Dogecoins. Essentially this can be seen as a hijack bid.

Besides this, banks can get rid of the outdated (<https://cointelegraph.com/news/swift-fears-bitcoin-institute-asks-if-bitcoin-threatens-paper-money>) correspondent banking systems like SWIFT in one fell swoop, so for them controlling transactions makes even more sense by hitting two birds with one stone. An elegant solution.

## Patents to the right of them, patents to the left of them

In February 2016, American Banker reported that the Bank of America is seeking 20 more Blockchain-related patents in addition to the 15 they had previously filed in 2014. The whole patent business was described as a "race to the courthouse" by Carol Van Cleef, partner at the law firm Manatt Phelps & Phillips in the American Banker article (<http://www.americanbanker.com/news/bank-technology/crypto-colonizing-b-of-as-blockchain-patent-strategy-1079136-1.html>).

We talked with David Duccini (<https://www.linkedin.com/in/dvduccini>) of the Strength in Numbers Foundation and he describes this whole business as, "ALL banks are filing patents left and right. The sentiment is that most of them are "defensive" so that they can do horse trading in the future, potentially via R3."

On its website Alix Partners (<http://www.alixpartners.com/en/Publications/AllArticles/tabid/635/articleType/ArticleView/articleId/2073/The-Race-to-Patent-the-Blockchain.aspx#sthash.ZpPS0njh.ubI2K1FS.dpbs>), a global business advisory firm, carries a comment by Catherine Bessant of Bank of America:

*"Owning patents in the Blockchain space is "very important... to reserve our spot even before we know what the commercial application might be."*

### The motive appears less than noble

There can be many reasons for banks like Goldman Sachs to step into the crypto world. Innovation, fighting to stay relevant, control over the economy or to remove redundant old processes, but one thing is certain - the motives are not noble.

Banks are essentially doing anything they can to stay in the game, even if it means taking a slightly unethical approach.

Using essentially open source tech and modifying it a bit and then going on to patent it as their own serves an ulterior purpose. This is certainly pointing towards keeping control over the tech which was developed as a way to free the masses from the clutches of the banks in the first place.

Then again, it could simply be the case of adopting something that just works as Niall Maye (<https://uk.linkedin.com/in/niall-maye-72924595>) Director of Marketing and Business Development at Sato.sh points out, "Imitation is the sincerest form of flattery".

➔ [Goldman Sachs \(/tags/goldman-sachs\)](#) ➔ [Banks \(/tags/banks\)](#)

➔ [Cryptocurrencies \(/tags/cryptocurrencies\)](#)

➔ [Patents \(/tags/patents\)](#)

Comments

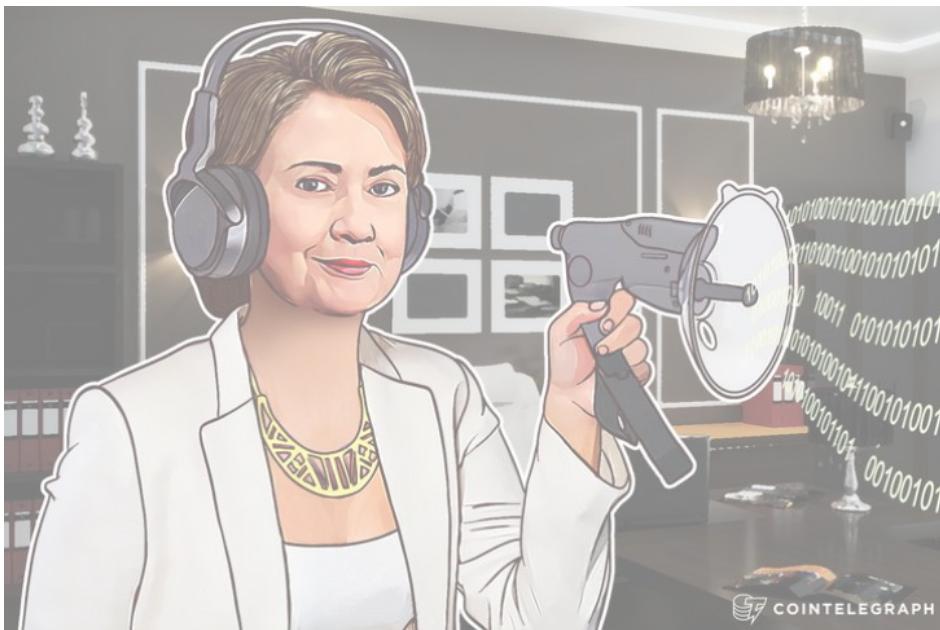
Author Joël Valenzuela

2016-09-06 04:30 PM

## Hillary Clinton's Campaign Uses Snowden-Recommended Signal Encryption

1010 Total views

94 Total shares



The campaign staff of the US presidential frontrunner Hillary Clinton uses Signal encryption (<http://fortune.com/2016/08/29/clinton-campaign-signal/>) for communications.

According to Vanity Fair magazine, the Clinton campaign began using the encrypted messaging app in the wake of the Democratic National Convention data leaks earlier this year. This comes after the former Secretary of State was involved in the mishandling of private data by using a private email server.

Signal earned the famed NSA whistleblower (and fugitive from the American government) Edward Snowden's approval (<https://twitter.com/Snowden/status/726364395383693312>) earlier this year. Hillary Clinton has maintained a hard line against Snowden both during her campaign and her tenure as Secretary of State, and so it is with a hint of irony that she is now taking his encryption advice.

### Meanwhile, governments crack down on encryption

While the campaign staff of candidates aiming for the highest government offices in the world seek to protect the integrity of their data through end-to-end encryption, the same government they aspire to lead takes a hard line on encryption.

FBI Director James Comey in a keynote address to the Symantec Government Symposium in Washington, DC declared that his agency was preparing to launch an attack on encryption (<https://www.wsj.com/articles/2016/09/05/encr-s05.html>) in 2017, once the dust from November's election has settled.

Governments in Europe have also joined the anti-encryption struggle. The interior ministers of both France and Germany have demanded that the EU put regulations in place mandating that encrypted messaging apps include backdoors (<https://cointelegraph.com/news/france-and-germany-want-eu-to-ban-end-to-end-encryption>) for law enforcement use. This would effectively constitute a ban on end-to-end encryption.

## Snowden's rise from outcast to celebrity

In addition to affecting the choices of encryption apps of the major US presidential candidates, Edward Snowden has had an impact on other areas of culture as well. In an upcoming film by director Oliver Stone, actor Joseph Gordon-Levitt is slated to portray the leaker-turned-celebrity. In preparation for this role, Gordon-Levitt is rumored to be meeting with Snowden himself (<http://www.ew.com/article/2016/09/02/joseph-gordon-levitt-edward-snowden>) in order to more accurately capture the role.

Snowden himself tweeted about this odd turnaround in reputation:

Signal, staffers in the meeting were told, was "Snowden-approved." A week after the meeting at the campaign headquarters, according to two people who have worked with the D.N.C. and the Clinton campaign, an e-mail was sent out instructing staffers where to download the app and how to use it. Shortly thereafter, the news



Edward Snowden

@Snowden

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2015: Even if he revealed unlawful government surveillance, put him in jail!

2016: wait what apps does he use

3:58 PM - 27 Aug 2016

7,465 13,316

While Snowden has recently gained a certain following and status, both major presidential candidates still call for anywhere from his arrest to his execution. However, Gary Johnson, the Libertarian Party nominee who is polling third nationally, said he would seriously consider pardoning Snowden (<https://cointelegraph.com/news/gary-johnson-would-look-seriously-at-pardoning-ross-ulbricht-edward-snowden-chelsea-manning>).

Hillary Clinton ([/tags/hillary-clinton](#)) USA ([/tags/usa](#))

Encryption ([/tags/encryption](#))

Edward Snowden ([/tags/edward-snowden](#))

US Government ([/tags/us-government](#))

Elections ([/tags/elections](#))

Comments

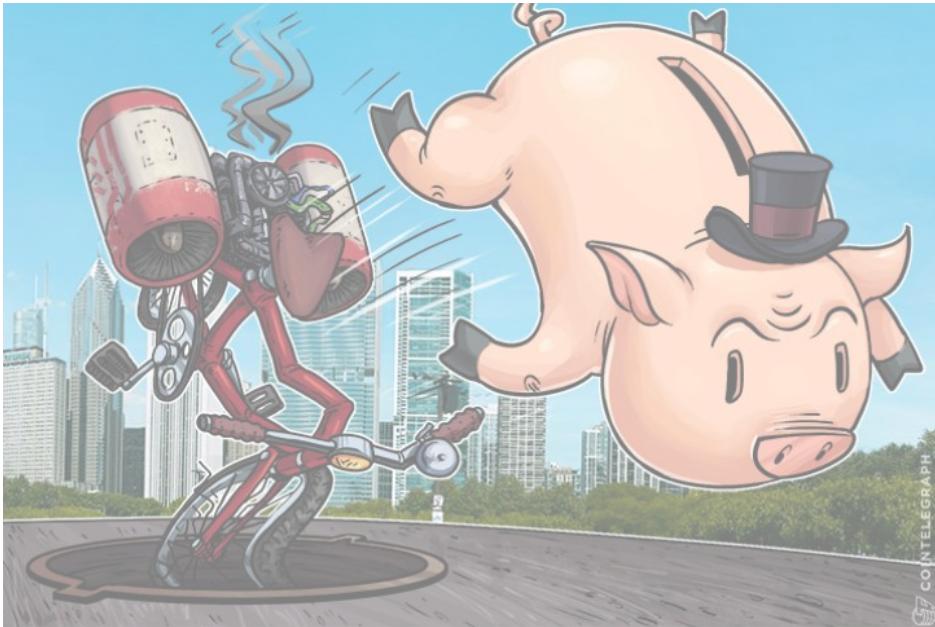
Author Joseph Young

2016-09-04 02:07 PM

# Bicycle With Jet Engine: Why Banks Fail to Implement Blockchain

2338 Total views

362 Total shares



The key factor behind the failure of finance and insurance companies' attempts to implement the Blockchain is their lack of understanding decentralization.

The Blockchain technology is being promoted as the greatest remedy for any data-reliant industries such as finance, real estate and insurance. However, the technology is yet to be implemented efficiently. Multi-billion dollar corporations who are eager to work with emerging technologies and popular trends in their industries believe in the wonders of Blockchain, but they often lack the understanding of basics which results in failure.

## Challenge to banks

Ever since Bitcoin started to gain serious momentum and challenge the market dominance of major banking service providers around the world, the banks immediately attempted to neutralize the perceived loss by creating their own digital currencies or Blockchain networks.

Banks and major financial institutions were willing to create a replica of Bitcoin which would help them benefit from the same advantages that Bitcoin users have gained from using the digital currency. Banks quickly turned to reputable firms to research the technology and develop some kind of a killer platform which could optimize banking.

## Decentralization missing

However, there was one major issue with this approach. They left out ([https://docs.erisindustries.com/explainers/permissioned\\_blockchains/](https://docs.erisindustries.com/explainers/permissioned_blockchains/)) the most important aspect of the Blockchain technology which led to the success of Bitcoin: decentralization. Banks, insurance companies, and real estate firms

started to utilize the Blockchain technology to handle their existing operations using the new technology. While doing so, they were also exploring the aspects of their systems which could be optimized by using the Blockchain technology.

### Adding jet engine to a bicycle

But essentially it was somewhat like adding a jet engine to a bicycle expecting it to travel faster. That's why the approach of the banks lacking logic failed and still fails to work. Even worse, not a single working demonstration of the technology has been released to the public.



**Wayne Vaughan**  
@WayneVaughan

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Bloomberg: "the term “blockchain” has been so misappropriated that no one knows what it means anymore." [buff.ly/2bIO9DM](http://buff.ly/2bIO9DM)

6:37 AM - 2 Sep 2016



#### Maybe Blockchain Really Does Have Magical Powers

Fear of disruption may be motivating financial institutions to solve some long-running problems.

[bloomberg.com](http://bloomberg.com)

34 47

If the banks had recognized that decentralization was the key factor behind the reduced costs and efficiency of the Bitcoin network, they could have had success in implementing the technology. However, this would mean that banks are ready to embrace and adopt Bitcoin.

They aren't ready to admit their defeat just yet.

Banks (/tags/banks)

Blockchain (/tags/blockchain)

Comments

Author S. Matthew English

2016-09-04 12:23 PM

## Blockchain Land Registry May Lead to

# New Global Financial Crisis

2657 Total views

362 Total shares



COINTELEGRAPH

A Blockchain-based land registry may help create new toxic assets and lead to a new financial meltdown.

Across the Third World, from Honduras (<http://www.coindesk.com/debate-factom-land-title-honduras/>) to the Republic of Georgia (<http://www.coindesk.com/bitfury-working-with-georgian-government-on-blockchain-land-registry/>), efforts are underway to establish land titles via the Blockchain. Proponents of this system advocate it as a mechanism to enable marginalized residents of the world's slums to take out loans using this newly recognized property as collateral.

The commodification of people's homes for use as financial instruments was at the heart of the financial crisis of 2008. The correlation between those toxic assets and the Blockchain-based property schemes which are now in the early phases of implementation warrant close scrutiny. Failing to learn the lessons of the last financial meltdown may precipitate another massive disenfranchisement of the world's most vulnerable citizens.

## Land Grab Mania

The financial crisis of 2008 is considered by many economists to have been the worst since the Great Depression of the 1930s. The impetus of this man-made disaster was the securitization of home mortgages which were subsequently arranged into tranches and partitioned on the basis of repayment expectation.

Predatory lenders issued mortgages to unsuspecting victims in the form of NINJA loans (No Income No Job or Assets). These financial instruments were thrust upon people with no real hope of paying them back and the result was countless families losing their homes when the system imploded in 2008.

Hernando de Soto is President of the Institute for Liberty and Democracy. De

Soto espouses the notion that residents of Third World shanties such as the Juhu slums of Mumbai, depicted in the film Slumdog Millionaire, are essentially locked out of global capital markets by their inability to secure credit.

### Slum property rights

Officially such people are homeless, lacking governmental title to their domicile. However, the facts on the ground tell a different story. Typically members of these local communities are conscious of one another's de facto property rights, which are acknowledged and respected.

Prior efforts to establish title to such slum properties have resulted in failure as corrupt officials allocated land rights on the basis of favoritism or influence. The Semantic Blockchain presents an appealing alternative as the consensus mechanism might ensure that a majority of residents would act in good faith and correctly assign addresses.

"Of the 7.3 billion people in the world, only 2 billion have a title that is legal, effective and public regarding their control over an asset." remarked De Soto in a public statement. "When something is not legally on record as being owned, it can therefore not be used ... as collateral to get credit, as a credential that you can be able to transfer part of your property to invite investment in. Things are owned, but when they're not adequately paperized or recorded, they cannot fill the functions of creating capital and credit."

### Toxic Assets in the Making

A collateralized debt obligation (CDO) is a type of structured asset-backed security (ABS). Originally developed for the corporate debt markets, over time CDOs evolved to encompass the mortgage and mortgage-backed security (MBS) markets. In the years leading up to the crash of 2008 some MBS issuers, such as Fannie Mae and Freddie Mac, guaranteed against homeowner default risk while requiring private mortgage insurance on loans in which the borrower provided a down payment of less than 20% of the property value.

### Decentralized insurance

Together these financial instruments comprised the toxic assets that necessitated the infamous government bailouts which may have been a motivation behind the creation of the world's first digital currency.

In fact the genesis block of Bitcoin time-stamped itself with the text 'The Times 03/Jan/2009 Chancellor on brink of second bailout for banks.'

Peer-to-peer, decentralized, and even autonomous insurance is a concept which is recently gaining traction in the Blockchain community. The London Fintech Week Blockchain Hackathon generated a smart contract insurance system (<http://www.coindesk.com/ipo-and-insurance-projects-win-2000-at-blockchain-hackathon/>) which would provide instant compensation on a variety of claims.

In light of pilot projects taking aim at a Blockchain-based land registry currently under way (<https://bitcoinmagazine.com/articles/bitfury-announces-blockchain-land-titling-project-with-the-republic-of-georgia-and-economist-hernando-de-soto-1461769012>) it appears as if a network of mortgage-backed securities generated by first-time borrowers in the Third World might be a near term reality.

It is conceivable that these insurance contracts could, in the foreseeable future, be combined with autonomous smart contract mechanisms to create a DAO (decentralized autonomous organization) of MBS. This has the potential to usher in a new wave of financialization of people's homes.

### Learn the lesson of DAO disaster

Under such a regime repayment tranches could be configured and rated automatically providing more transparency in an industry notoriously opaque to customers and regulators alike.

Lest we fall prey to an epidemic of irrational exuberance we might do well to remember the recent disaster of the DAO and temper our excitement. A system such as the one herein described could unlock vast economic potential, or, to paraphrase Michael Lewis, it could be the making of a new doomsday machine.

Karl Marx noted that "History repeats itself. First as tragedy, second as farce." Let us hope that the DAO of the MBS doesn't prove this adage correct.

♦ [Blockchain \(/tags/blockchain\)](#)

♦ [Land Registry \(/tags/land-registry\)](#)

Comments

Author Joseph Young

2016-09-02 05:23 PM

## The Bigger, the Better: 64% of Bitcoin Users Vote For Block Size Increase

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2878 Total views

452 Total shares



Over the past few weeks, community-driven Bitcoin statistics and services provider Coin Dance conducted a survey (<https://coin.dance/poli/hardforkforblocksizelimit>) to analyze the stance of the Bitcoin community on the Bitcoin block size debate. Approximately 64% of Bitcoin users that participated in the survey voted for the increase of the block size limit.

### Scaling the Bitcoin network

Since the Bitcoin Roundtable Consensus in Hong Kong held in February 2016, a lot of Bitcoin users, miners, companies, and investors have demanded for the increase of the Bitcoin block size.

Miners and companies that participated in the Hong Kong conference opted to increase the Bitcoin block size by 2MB by the end of July. This agreement was verified and accepted by Bitcoin Core developers, who failed to deliver the hard fork by the agreed time period.

However, as the Bitcoin Core development team began to integrate various innovative scaling solutions like segregated witness, the community seemed to develop more trust in the practical works of the developers, acknowledging their commitment in scaling the Bitcoin network.

Over time, more start ups and miners expressed their support towards the Bitcoin Core development team, complicating the stance of the Bitcoin community in the block size debate.

### Learning the opinion of the Bitcoin community

To evaluate where the majority of the Bitcoin community members and users stand in the argument, Coin Dance released their conclusive data on the survey they had conducted.

The official results showed that about 64.28% of the Bitcoin community are in support of the increase in Bitcoin block size. 47.64% of the voters were from /r/btc (pro-hard fork) and 49.79% of the voters came from /r/bitcoin (pro-

Bitcoin Core).

While a lot of users complained that the basis of the survey is unidentified and it can't be used as an actual confirmation to decide where the community currently stands, Coin Dance emphasized that considering the equal distribution of voters between /r/btc and /r/bitcoin, the data collected through the survey is legitimate.

Coin Dance

([https://www.reddit.com/r/btc/comments/50k8zz/66\\_of\\_bitcoin\\_users\\_think\\_th/](https://www.reddit.com/r/btc/comments/50k8zz/66_of_bitcoin_users_think_th/)e\_bitcoin\_network/d74zm1y) wrote:

*"We'd just like to reaffirm that the majority of our users come from /r/bitcoin, not /r/btc. Our goal is to simply provide access to information in a way that's as inclusive as possible, nothing more."*

## Size matters, and the bigger the better

In response to the Coin Dance survey and data, Roger Ver (<https://twitter.com/rogerkver>) tells CoinTelegraph:

*"Before Bitcoin, I had 15 years of experience scaling enterprise network infrastructure around the world as CEO of MemoryDealors.com, asking how big blocks should become in the future sounds just as silly to me as asking how big hard drives should become, or how fast internet connections should become."*

He further emphasized that there is no technological reason behind maintaining the Bitcoin block size at 1 megabyte.

Ver explains:

*"All of those things should become as big and as fast as the technology allows. There is no technological reason today that the blocks can't be much bigger than 1MB. Even Blockstream CEO Adam Back says as much. The current restraints are being imposed solely for social reasons."*

More importantly, Ver agrees that a hard fork should be carried out to evaluate and observe the potential effects a hard fork may bring to the Bitcoin network.

If a hard fork won't be executed to determine the outcome and its impact on the Bitcoin network, the community will never know if a hard fork will lead to positive or negative effects.

👉 [Bitcoin \(/tags/bitcoin\)](#)

👉 [Bitcoin Block Size \(/tags/bitcoin-block-size\)](#)

[Coin Dance \(/tags/coin-dance\)](#)[Roger Ver \(/tags/roger-ver\)](#)[Comments](#)

Author Angus Leung

2016-09-02 12:45 PM

## Bank of Tokyo, Hitachi Team Up For Singapore Blockchain Project to Digitalize Banking

1760 Total views

378 Total shares



The largest bank in Japan (MUFG) and Hitachi Ltd are teaming up to commence their Proof-of-Concept for a Blockchain-based system to digitalize checks and possibly the rest of the banking. The system itself will be used for issuing, transferring and collecting digital checks.

The MUFG will be issuing the checks while Hitachi Group companies in Singapore will be collecting and depositing the funds. According to a press release

(<http://www.bk.mufg.jp/global/newsroom/news2016/pdf/newse0822.pdf>) by the MUFG and Hitachi, this will be used to prove the concept.

With the Proof-of-Concept, both companies hope that they can find any issues or flaws with the system before continuing to develop it. This will ensure harder or no security breaches in the system in the future.

"The Monetary Authority of Singapore has recently released a consultation paper on proposed guidelines for a regulatory sandbox framework to facilitate the advancement of Fintech services. With the framework, this POC testing aims to identify issues for practical use, issuing and settling check by Blockchain Technology on a system developed by Hitachi Asia Ltd." stated the Press Release.

## Singapore's Fintech growth

As Singapore continues to expand its list of Fintech companies, Blockchain has become popular in Fintech development. With start ups such as Digix and Ripple Gateway working on Ethereum and Ripple, MUFG and Hitachi will find it easier to acquire Blockchain consultants and developers. Hong Kong is a Fintech capital with banks such as HSBC, BEA and Bank of China but companies are starting to move towards Singapore for Blockchain related reasons.

MUFG is not the sole bank working on Blockchain systems for banking. UBS, Deutsche, Citi and Goldman Sachs are all reported to be developing Blockchains for banking. With Blockchain, banks believe they can save \$20 Billion (<http://www.coindesk.com/santander-blockchain-tech-can-save-banks-20-billion-a-year/>) each year as well as increase transactions speed and security.

With total assets well over \$2.4 Trillion USD, MUFG adopting Blockchain will be a strategic move for the bank and keep it in the race to fully implement Blockchain into its banking systems.

In July, Canada's ATB successfully moved 666 EUR to Germany's ReiseBank in 8 seconds using Ripple's blockchain, which means Blockchains are more efficient than traditional banking.

Curtis Stange, ATB's chief strategy and operations officer commented on the ATB-Reisebank transaction:

*"Using blockchain technology, ATB became the first financial institution in Canada to complete an overseas payment in a matter of seconds, without Blockchain, that transaction would have taken two to six business days"*

Back in May, Japan introduced new laws (<https://cointelegraph.com/news/japan-officially-recognizes-bitcoin-and-digital-currencies-as-money>) that allowed it to recognize digital currencies such as Bitcoin. Even though some Japanese banks are still cautious and fear the Mt.Gox situation, they continue to open up to Blockchain technology.

◆ Japan (/tags/japan) ◆ Bank of Tokyo (/tags/bank-of-tokyo)

◆ Blockchain (/tags/blockchain) ◆ Singapore (/tags/singapore)

◆ Banking (/tags/banking) ◆ Banks (/tags/banks)

Hitachi (/tags/hitachi)

FinTech (/tags/fintech)

Comments

Author Rebecca Campbell

2016-08-31 02:07 PM

## Counterparty to Convert Card Game Players into Bitcoin Users

2101 Total views

406 Total shares



 COINTELEGRAPH

Counterparty (<http://counterparty.io/>), the peer-to-peer platform built on the Bitcoin Blockchain, enters the non-Bitcoin world by teaming up with the physical card game Force of Will (<http://fowtcg.com/>) as it prepares to launch its first digital game assets.

The popular Japanese card game, Force of Will, is launching tokenized game items on Counterparty with the Force of Will Battle Simulator platform is expected to launch mid-September.

CoinTelegraph spoke to Trevor Altpeter (<http://counterparty.io/team/trevor-altpeter/>), the director of the Counterparty Foundation, and Koji Higashi ([https://twitter.com/coin\\_and\\_peace](https://twitter.com/coin_and_peace)), co-founder of IndieSquare, about the work with Force of Will.

Higashi notes:

*"This is a great opportunity for us to prove how Blockchain tech and tokens can actually bring utility to regular people and enable whole new possibilities."*

## What is Force of Will?

Force of Will is one of the most popular card games selling cards in more than 30 countries and ranks 4th in sales volume in North America. According to the Hobby Channel (<http://icv2.com/articles/markets/view/33915/top-collectible-games-fall-2015>) rankings for collectible games, Force of Will trails behind Pokémon, Yu-Gi-Oh and Magic: The Gathering in terms of popularity.

Since its launch in North America in February 2015, Force of Will became an instant hit, passing 1,000 official distributors within the first year of its release in North America alone, then quickly spreading across the world at a fast rate.

Teaming up with two existing Counterparty projects – IndieSquare and Spells of Genesis – Force of Will is scheduled to unveil its platform enabling game developers to put items on the Blockchain with no prior knowledge of Bitcoin.

As an incredibly successful physical card trading game with a community of over 100,000 players, IndieSquare and Spells of Genesis realized the potential of working with Force of Will, helping to open up the world of Bitcoin to non-Bitcoin users.

## Attracting new users to Bitcoin

As a relatively new game in the Bitcoin industry, Force of Will decided to utilize the Counterparty protocol because the borderless nature of the Blockchain technology inspired them. In a press release, CEO of Force of Will, Eiji Shishido, said that the concept of Force of Will is connecting the world and believes there is a lot of similarity between the two.

Shishido explains:

*"Challenging new things has its own value in my opinion. Force of Will is not an online game currently, but we wanted to bring in a new value to the game industry. We wanted to offer Force of Will players a whole new experience and the new value proposition is based on the cutting edge technology."*

Speaking to CoinTelegraph, director of the Counterparty Foundation, Trevor Altpeter, said that many Bitcoin uses so far are controversial in the eyes of non-Bitcoin users.

He says:

*"Digital game items are an underserved market that can create new users for Bitcoin and Counterparty without relying on the users to also be passionate about cryptocurrency. Tokenized game items will create innovation in gaming which may eventually receive mainstream interest and use."*

Koji Higashi said that the community numbers linked to Force of Will is going to have a major impact on Counterparty and the Bitcoin ecosystem. Speaking to CoinTelegraph, he said that the 100,000 Force of Will players are people who don't understand Bitcoin, Counterparty or Blockchain and just want something that works and benefits them.

### The future of digital game assets

Force of Will and the Counterparty ecosystem will benefit from rising popularity in digital game assets. Altpeter believes that tokenized game items will create innovation in the gaming industry, but it will also allow digital game economies to grow without restraint for the first time.

He says to CoinTelegraph:

*"There are examples of game economies that hit a ceiling due to limitations imposed by payment processors and the centralized nature of the assets. Counterparty assets provide true ownership so maybe these growing game economies can reach new heights.*

*If Force of Will experiences success then Counterparty and Bitcoin will gain legitimacy as the established platform for digital game assets.*

*"Force of Will is gaining a valuable first mover advantage through the partnerships it has with Counterparty projects."*

◆ Counterparty ([/tags/counterparty](#)) ◆ Games ([/tags/games](#))

◆ Spell of Genesis ([/tags/spell-of-genesis](#))

Comments

Author Joseph Young

2016-08-28 05:20 PM

## Opera Browser May Consider Integrating Bitcoin, Implements Built-in Adblock

4242 Total views

621 Total shares



The team behind Opera, a web browser developed and released by Opera Software in 1995, may consider integrating Bitcoin after introducing a built-in Adblock feature in its newest release.

Opera's adblock-integrated browser (<http://www.opera.com/computer/features/ad-blocker>) received positive responses from online communities, particularly for its ability to load web pages 90% faster than other browsers. Because the adblock software is built into the system of Opera, it catches advertisements in the engine when a webpage is requested, enabling users to access the web more efficiently.

### How about Brave browser?

Another browser to implement a similar concept of Opera is Brave, a web browser developed by JavaScript creator and co-founder of Mozilla, Brendan Eich (<https://cointelegraph.com/news/brave-browser-forges-new-bitcoin-micropayment-agreement-with-coinbase-and-bitgo>). The Brave browser eliminates any advertisements seen on a webpage and replaces them with advertisements sold by the Brave Software team. To compensate publishers, the team pays 55% of ad revenues in Bitcoin.

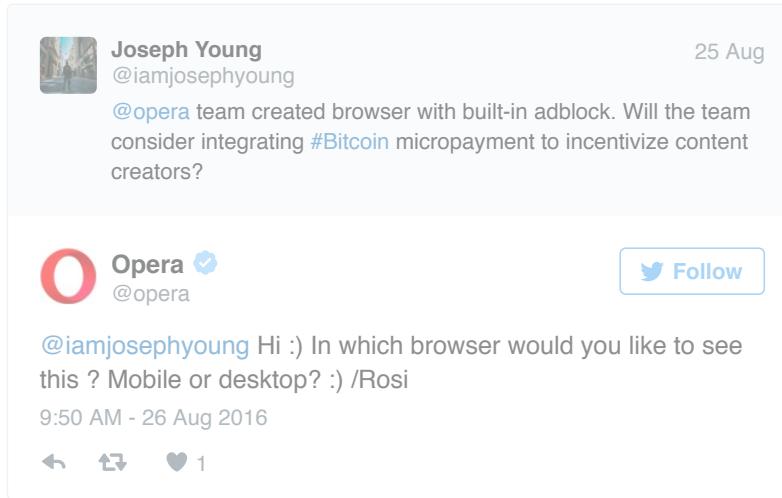
The Brave Browser team's release of a Bitcoin-integrated ad-free browser prompted the Bitcoin community to reconsider the implementation of micropayments and consider the possibility of using Bitcoin to payout publishers globally.

The Bitcoin community praised the Brave Software team for their efforts in integrating Bitcoin and creating another platform publishers to be incentivized.

### Definitely maybe

Considering the positivity surrounding Brave's new project, I personally asked the Opera team if they would ever consider integrating Bitcoin with an advertising model for incentives.

When asked "Opera team created browser with built-in adblock. Will the team consider integrating Bitcoin micropayment to incentivize content creators?", the Opera team responded, "In which browser would you like to see this ? Mobile or desktop?"



**Joseph Young**  
@iamjosephyoung 25 Aug  
[@opera](#) team created browser with built-in adblock. Will the team consider integrating [#Bitcoin](#) micropayment to incentivize content creators?

**Opera**  @opera 

@iamjosephyoung Hi :) In which browser would you like to see this ? Mobile or desktop? :) /Rosi  
9:50 AM - 26 Aug 2016

   1

Although the Opera team hasn't released or hinted the integration of Bitcoin officially or publicly, it is possibility that the team might consider integrating Bitcoin in the future as a part of its initiative of eliminating ads on web pages.

Since the Opera team is concerned with the speed of web pages and malware containing advertisements, Opera could potentially integrate its own advertisements that load faster on web pages and distribute a portion of the ad revenues to the publishers.

The integration of Bitcoin and implementation of micropayments will introduce startups and other platforms to more opportunities of utilizing Bitcoin and other digital currencies.

 Internet (/tags/internet)  Opera (/tags/opera)

 Bitcoin (/tags/bitcoin)  Adblock (/tags/adblock)

 Advertisement (/tags/advertisement)

 Brave Browser (/tags/brave-browser)

Comments

Author lyke Aru

2016-08-28 02:34 PM

## Blocksafe to Employ Lisk Sidechain In Building Smart Gun Blockchain

1460 Total views

224 Total shares



Blocksafe (<https://twitter.com/blocksafe>), a secure access Blockchain-based system, is about to build its Blockchain using Lisk sidechain technology.

This Blockchain is said to issue a new token for use on the chain called "Trigger" (TRIG). It will work with a planned array of smart gun technologies such as magazines, locks and other Trigger-enabled hardware including the third-party and user-created hardware which can be 3D printed or manufactured.

To fund this effort, the Blockchain Foundation is conducting a 28-day crowdsale, which commenced on Thursday, September 8.

### Access control and management of firearms

According to Kevin Barnes (<https://www.linkedin.com/in/kevin-barnes-9a39325>), Blocksafe Founder and CEO, the crowdsale is executed with the involvement of an external platform, which makes it different from the initial crowdsale (<https://cointelegraph.com/news/crowdsale-launched-to-build-blockchain-based-gun-verification-system->) which was a fully internal affair. This is due to the fact that the previous event involved the receipt of both crypto and fiat, though this time, Blocksafe will accept only cryptocurrency.

Barnes says to CoinTelegraph:

*"Blocksafe represents a revolution in managing access to firearms through the creation of a Blockchain for smart gun technology. This will allow gun owners to secure, manage and control access to who can use their firearms, disabling stolen weapons, while maintaining a decentralized database which has no central point of failure or control."*

Barnes also notes that in order for firearm owners to be able to track their hardware, sensors built in smart devices will push that data to the ledger, as well as messages sent to the device owner through telehash. These are options the device owner can take advantage of and manage as they are the only ones who can actually view that tracking data unless they opt to share it with another party.

Barnes explains:

*"For example, a husband may opt to allow himself and his spouse to access the data using two separate phones. Encryption prevents others from viewing the data."*

## 28-day crowdsale plan

Of the 100 million Triggers which will ever exist, Blocksafe will be offering 30 million during the token crowdsale, which will be co-hosted by Bittrex. The crowdsale takes place over 28 days with a first-day bonus of 20 percent and an accelerating price throughout the sale.

Barnes tells Cointelegraph that the token sale will be the final crowdfunding effort they will need to bring Blocksafe to beta.

► [Blocksafe \(/tags/blocksafe\)](#)      ► [Lisk \(/tags/lisk\)](#)

► [Blockchain \(/tags/blockchain\)](#)      ► [Sidechains \(/tags/sidechains\)](#)

► [Weapons \(/tags/weapons\)](#)      ► [Crowdsales \(/tags/crowdsales\)](#)

## Comments

Author Joël Valenzuela

2016-08-27 12:53 PM

## Steemit and Ethereum Classic Fad Can Be Over As Newcomers Enter Scene

4223 Total views

202 Total shares



Is time running out for Ethereum Classic  
([https://www.reddit.com/r/btc/comments/4zlkqg/eth\\_classic\\_starting\\_to\\_fade/](https://www.reddit.com/r/btc/comments/4zlkqg/eth_classic_starting_to_fade/))  
and Steemit?

The two top-six cryptocurrencies come from very different origins, with Steemit being a deliberately engineered blockchain-based social network, while Ethereum Classic was an unplanned fork of Ethereum created after the DAO hack.

However, they do share several important similarities: both came to prominence about a month ago, both experienced massive growth spurts over a short period of time, and both are now seeing their value melt away daily.

### **Ethereum Classic's dubious beginning and decline after an initial bubble**

Following the DAO debacle in which millions of Ether were stolen, Ethereum was forked in an attempt to isolate and possibly recover the stolen funds. This lead to two Ethereums, the main fork and Ethereum Classic, the latter of which quickly jumped in price (<https://cointelegraph.com/news/ether-slumps-ethereum-classic-surges-300-finds-support-with-exchanges-miners>), leading to speculation that it might quickly become the third-ranked cryptocurrency (<https://cointelegraph.com/news/by-tomorrow-ethereum-classic-can-be-third-top-crypto>) after its creator and Bitcoin.

Ethereum's co-founder Vitalik Buterin clearly stated that he would not support Ethereum Classic (<https://cointelegraph.com/news/vitalik-buterin-wont-support-etc-if-it-takes-over-eth>), even in the event that it overtook the original.

That did not turn out to be the case. As soon as it burst onto the scene, Ethereum Classic quickly rose to almost \$2 USD in late July.

Then, in the early days of August, the price peaked at \$2.76, maintaining a price of above \$2 for the rest of the month's first week. However, over the two weeks since then, the price has been in steady decline, resting at \$1.42 at present.

## Steemit out of steam as Synero approaches

The bubble which drew a host of new content providers to Steemit seems to be rapidly deflating. In mid-July, the price of Steem shot up to over \$4 USD per unit.

This led to fantastic tales from authors claiming massive payouts, which in turn led to a host of posts about how to get the most out of Steemit (<https://steemit.com/steemit/@steemsmart/should-i-hold-steem-power-with-piedpiper-steem-smart-podcast-ep-6b>), finally devolving into even more circular, navel-gazing posts generically about Steemit (<https://steemit.com/steemit/@pseudopoise/thank-you-steemit>).

Since mid-late July, the price has maintained a steady decline. Just over the last week it has lost almost a third of its value, and now rests at \$0.90, barely over one fifth of its peak value one month ago.

Meanwhile, Synereo, a new competitor to the ostensibly decentralized, blockchain-based social networking (<https://cointelegraph.com/news/beware-facebook-decentralised-social-network-is-approaching>), approaches for a piece of Steemit's former glory. The newcomer promises the usual package of a peer-to-peer internet through user control over content, profiles, and monetization of content. Synereo plans to move to its alpha phase this September.

► Steemit (/tags/steemit)

► Ethereum Classic (/tags/ethereum-classic)

Comments

Author Joël Valenzuela

2016-08-27 11:14 AM

## France and Germany Want EU to Ban End-to-End Encryption

9663 Total views

781 Total shares



France and Germany are pushing for the EU to restrict the use of encryption (<http://www.theverge.com/2016/8/24/12621834/france-germany-encryption-terrorism-eu-telegram>).

In a joint proposal (<http://www.interieur.gouv.fr/Actualites/L-actu-du-Ministere/Initiative-franco-allemande-sur-la-securite-interieure-en-Europe>) released earlier this week, the interior ministers of the two countries attacked messaging services that offer end-to-end encryption, such as WhatsApp, Telegram, and Signal, for posing difficulties during law enforcement investigations. The proposal calls on the establishment of backdoors in encrypted services to "strengthen controls on borders outside of the EU," "better share crucial information between member states," and to "fully equip democracies on the question of encryption."

The push for greater control over encrypted technology comes after a recent spate of terror attacks in Europe. Both governments claim to have intercepted large volumes of data prior to the attacks, some of it encrypted and undecipherable (<https://techcrunch.com/2016/08/24/encryption-under-fire-in-europe-as-france-and-germany-call-for-decrypt-law/>).

If successfully established via regulation, backdoors would effectively end the concept of end-to-end encryption, at least insofar as what is legally permissible.

### The EU's continuing crypto crackdown

The recent push to crack encryption is only the latest move in a continuing trend by the EU to restrict decentralized technology. In an effort to combat terrorism and money laundering, the European Commission announced a move to end anonymous Bitcoin transactions (<https://cointelegraph.com/news/brexit-just-in-time-eu-cracks-down-on-anonymous-bitcoin-trades>), placing private, peer-to-peer buying and selling of cryptocurrency under the same AML/KYC regulations as banks.

In the meantime, Switzerland, which is the home to such famed blockchain companies as Xapo, ShapeShift, and Ethereum, has showed a much friendlier approach to cryptocurrency.

Earlier this year, the Swiss parliament took steps to deregulate blockchain startups (<https://cointelegraph.com/news/swiss-parliament-moves-to-deregulate-blockchain-startups>) to encourage more innovation and business development by exempting them from stringent financial regulations that affect financial institutions. The town of Zug even accepts Bitcoin for certain government services (<https://cointelegraph.com/news/swiss-town-accepts-bitcoin-for-public-services>) as part of a trial run testing the currency's viability in public sector applications.

### Privacy advocates hold the line against government pressure

Despite the growing pressure from governments to compromise encrypted services, privacy advocates have largely resisted, and maintained a commitment to encryption. The Tor Project recently released a social contract of conduct (<https://cointelegraph.com/news/tor-social-contract-promises-no-backdoors-high-community-standards>) for the organization, including a commitment against installing backdoors into encrypted products that law enforcement could use to compromise the privacy of users.

Leakers and encryption developers have faced pushback for their commitment to both privacy and transparency. The most obvious examples of this are both Edward Snowden and Julian Assange living in exile while wanted by the US government, but this treatment has extended to others professionally involved in encryption. The US National Security Agency automatically flags (<https://cointelegraph.com/news/linux-user-the-us-government-may-classify-you-an-extremist>) those who search of Tor and Tails Linux as an extremist, while a Tor developer was forced to flee (<https://cointelegraph.com/news/tor-developer-flees-us-to-avoid-fbi>) to Germany because of pressure to cooperate with the FBI in an encryption investigation.

🏷 France (</tags/france>)      🏷 Germany (</tags/germany>)

🏷 Encryption (</tags/encryption>)      🏷 EU (</tags/eu>)

🏷 Privacy (</tags/privacy>)

Comments

Author lyke Aru

2016-08-23 05:44 PM

## Wall Street Gets One Step Closer To Embracing Blockchain

2992 Total views

558 Total shares



Blockchain technology company, Factom (<http://factom.org/>), which builds interfaces that plug into existing systems and enable interaction, has collaborated with financial data feed company, Intrinio (<https://www.intrinio.com/>) to put Wall Street on the Factom blockchain.

### Building reliable financial applications

The collaboration is said to enable data for the 3,000 most valuable US stocks to be published into the Factom blockchain every 15 minutes.

Factom claims, following this development, to have moved ahead of the majority of establishments within the blockchain industry. This claim is backed by the fact that it uses real data that is valuable and actionable, saying that enterprising developers can use these data streams to enable smart contracts and audits initially.

David Johnston ([https://www.linkedin.com/in/davidajohnston?authType=NAME\\_SEARCH&authToken=ud7&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A13712055%2CauthType%3ANAME\\_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1471956626601%2Ctas%3Adavid%20johnson](https://www.linkedin.com/in/davidajohnston?authType=NAME_SEARCH&authToken=ud7&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A13712055%2CauthType%3ANAME_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1471956626601%2Ctas%3Adavid%20johnson)), Chairman at Factom, says:

*"Intrinio, in providing financial market data to Factom, has helped us build the foundational data sets for our users to audit their financial records. By publishing all these different stock prices on Factom, developers now have a reliable way to build their financial applications, and since the blockchain is stored forever on a distributed basis, this is a resource that grows every day and the wealth of past knowledge is always available to verify, without everyone having to store the data locally in their application."*

## Enhancement of affordable APIs

Rachel Carpenter ([https://www.linkedin.com/in/rachelacarpenter?authType=NAME\\_SEARCH&authToken=5u6B&locale=en\\_US&srchid=4662553671471956691273&srchindex=3&srchtotal=138&trk=vsrp\\_people\\_res\\_name&trkl\\_nfo=VSRPsearchId%3A4662553671471956691273%2CVSRPtargetId%3A53063326%2CVSRPcmpt%3Aprimary%2CVSRPnm%3Atrue%2CauthType%3ANAME\\_SEA](https://www.linkedin.com/in/rachelacarpenter?authType=NAME_SEARCH&authToken=5u6B&locale=en_US&srchid=4662553671471956691273&srchindex=3&srchtotal=138&trk=vsrp_people_res_name&trkl_nfo=VSRPsearchId%3A4662553671471956691273%2CVSRPtargetId%3A53063326%2CVSRPcmpt%3Aprimary%2CVSRPnm%3Atrue%2CauthType%3ANAME_SEA)), CEO of Intrinio, says that the most promising Fintech entrepreneurs are typically restricted from the financial data market, due to both high prices and massive redistribution fees and her company, in collaboration with Factom, is out to change that situation.

She explains:

*"We provide developer-friendly APIs that are affordable, for established firms and startups, and lead the industry when it comes to flexible terms. Zero redistribution fees mean developers can easily and quickly pull data through to end users."*

Carpenter says that the applications of this flexibility can be seen in the diverse apps already being built with Intrinio data, and are particularly interesting for companies like Factom that are utilizing Blockchain technologies.

She concludes:

*"Financial data has never before been stored or structured this way, so what we are witnessing is just the beginning. I'm eagerly anticipating the innovations we'll see when you combine the power of flexible, affordable financial data APIs with the revolutionary nature of the Blockchain. It's fundamentally changing the way investors see the market."*

♦ Wall Street (/tags/wall-street)      ♦ Blockchain (/tags/blockchain)

♦ Factom (/tags/factom)      ♦ Intrinio (/tags/intrinio)

Comments

Author Joseph Young

2016-08-21 12:42 PM

## Expert Says BlockStream Mission Not Aligned with Community

1565 Total views

368 Total shares



Taylor Gerring (<https://www.linkedin.com/in/taylorgerring>), the Director of Technology at Ethereum and former Vice President of Engineering at Hive Bitcoin Wallet, has recently triggered a controversial discussion in various online Bitcoin communities with his statement on social media.

On Twitter, Gerring wrote (<https://twitter.com/TaylorGerring/status/766681267689578496>), "Bitcoin needs to fork BlockStream. Their mission and goal is no longer aligned with the community," criticizing the behaviour of the Bitcoin Core developers who don't support the demands of the community and users in the network. He specifically condemned the disability of the BlockStream team to work on short-term scalability of the Bitcoin network, which he believes is causing the network's growth to slow down.



**Eduardo Gómez**  
@Codiox

19 Aug

@TaylorGerring Can you elaborate a bit more on that? What goals do you think they have?



**Taylor Gerring**  
@TaylorGerring

[Follow](#)

@Codiox Thier behavior makes stated goals irrelevant.  
Community (including miners) losing trust in BlockStream  
12:04 PM - 19 Aug 2016

↪ 1 ⚑ 1 ❤ 7

## Response to criticisms

As a response to his criticisms Bitcoin experts and Core developers, including Peter Todd (<https://twitter.com/petertodd btc>), presented a series of arguments which disproved Gerring's contradictory statement. Todd explained that the BlockStream team is solving the issue of scaling and has presented several ideal solutions including Bitcoin Core developer Matt Corallo (<https://twitter.com/thebluematt>)'s block propagation, which is being created for on-chain scaling.

Members of the Bitcoin community quickly pointed out the irony in Gerring's statement, suggesting that the trust towards BlockStream is stronger than ever because of the Ethereum foundation and developers' execution of hard fork to save the drained funds of the DAO network.

Computer scientist and hacker Andrew Desantis wrote:



**Taylor Gerring**  
@TaylorGerring

19 Aug

@Codiox Thier behavior makes stated goals irrelevant.  
Community (including miners) losing trust in BlockStream



**Andrew T. DeSantis** ✅  
@desantis

[Follow](#)

@TaylorGerring @Codiox 😂 thanks to your transaction-reversing hard fork, faith in @Blockstream is at an all-time high.  
12:26 PM - 19 Aug 2016

↪ 7 ❤ 32

More supporters of the Bitcoin community called out Gerring for trying to undermine the Bitcoin network and community and for attempting to desperately legitimize the operations of the Ethereum foundation. However, a substantial portion of the Bitcoin community still disagrees with the vision and long-term proposals of BlockStream. Various projects and groups including /r/btcfork have emerged with an attempt to scale the Bitcoin network in the short term.

◆ BlockStream (/tags/blockstream)

◆ Bitcoin Community (/tags/bitcoin-community)

◆ Bitcoin (/tags/bitcoin) ◆ Taylor Gerring (/tags/taylor-gerring)

◆ Hard Fork (/tags/hard-fork)

Comments

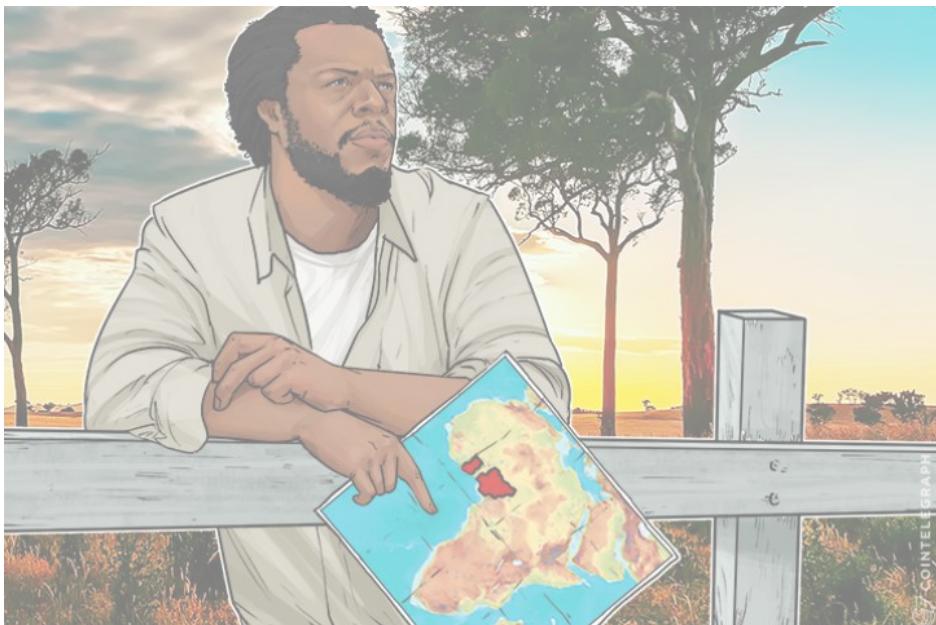
Author lyke Aru

2016-08-20 05:15 PM

## Blockchain Real Use Case: Land Inventory in Africa and Beyond

1626 Total views

333 Total shares



In developing countries the right to own landed properties as a priority can be placed just behind the right to life.

Using Nigeria as a typical example, every piece of land is claimed, whether on record or not. Besides lands found almost in the middle of nowhere, ancestral ownership and transfer of such remains an unbroken tradition in defining the ownership of landed properties.

There have been numerous cases involving the claim of property between the nation state and the local custodians. This occurs mostly when there is the need for the government to acquire such a property for the purpose of

development or infrastructure. Most of the time, conflicts arise due to the certification of the true ownership of such lands and suggested compensation plans.

## Bitland initiative

Christopher Bates (<https://www.linkedin.com/in/larry-c-bates-99452594>) of Bitland (<http://www.bitland.world/>) says that using Blockchain-based registries to keep records of land titles in rural areas is what his company initiative is all about. He adds that this will help governments at all levels to maintain a proper inventory of their real estate. He goes on to say that this is happens even though most rural areas are usually without high speed Internet and, in many cases, without electricity.

Bates says:

*"Our initiative is focused on a full stack solution which brings local physical infrastructure in the form of Bitland Centers that have solar-powered wi-fi networks, as you cannot have Blockchain solutions without the Internet, and you cannot have the Internet without electricity."*

## First official ICO and partners

Bitland has announced its first official ICO which is slated to begin on August 22 2016. Bates says that the ICO is targeted at raising between 4000 and 5000 Bitcoins to outfit the first Bitland centers located in Ghana and Nigeria.

He explains that as the global operations are scaled up, Bitland is looking to get government contracts to fund the future centers so that the governments are the ones funding the development and not the populations that they are trying to protect. In other to achieve this target, Bitland is partnering with OpenLedger, CCEDK, and officially have Kottackal as an external auditing partner to audit their operations.

Bates explains that OpenLedger is the backbone of what is called a "Decentralized Conglomerate (<https://www.ccedk.com/dc/white-paper>)". An ecosystem that allows companies like Bitland to make use of Blockchain technology without having to worry about not having a team to ensure that the technology is kept updated.

Bates says:

*"As a decentralized exchange, OpenLedger allows digital currencies to be exchanged with each other as well as with fiat currencies. CCEDK is a partner who help with marketing and PR. They have a team of specialists who make B2B and B2C contacts, as well as produce literature and content related to the projects using OpenLedger. Kottackal is a company in India that helps tech companies enter the market and get prepared to scale with the global market. We are hoping that having them as auditing partners will help Bitland move into markets outside of the African continent with ease."*

## Blockchain-based land inventory for Western countries

Bates also hints to Cointelegraph that his company will be meeting with government officials in another country next month, and while the name of the country cannot be disclosed at the moment, Bates says that it is a Western country not in Africa.

He explains:

*"We are looking to get the pilot in Ghana testing the software on the ground by October, and looking to have the center in Nigeria starting to be outfitted before the end of the year. We are semi-finalists in the Venture Clash (<http://www.ventureclash.com/>) competition in Connecticut and will be finding out next week if we make it to the next round."*

## Inherent bottlenecks

Christopher Franko, Blockchain expert at Borderless Technology, agrees with the viability of this venture but also recognises the inherent bottlenecks that may be encountered. Franko explains that basically, the Blockchain is a method of immutable record keeping. He says that any sort of data, or record of value transfer, which could benefit from being stored in a trustless environment would be a really great use case for the Blockchain e.g. currency, governance services, votes, and property ownership.

Franko says to Cointelegraph:

*"Creating tokens that represent property ownership is entirely valid. This is actually one of the things we plan to do with the Borderless.tech platform as well. It is going to be interesting to see how they handle fractional transfers of property. Say I own 100 acres of land, but want to sell only 1 acre or even 0.002 acres, how fine-tuned can we make this transfer using their system? Also, what I am concerned about is, in the past we have seen other digital assets try and tie themselves to real life assets like precious metals only for it to not turn out too well. Another thing that concerns me, is how they plan to compete directly with the governments in the areas. Are they working with or against? With Borderless, we plan to create supplemental services that lower the cost and create bridges from the legacy record keeping systems to the new trustless Blockchain system, so that nation states can offer a better service to their citizens and citizens, in turn, have direct access to their registry entries."*

❖ Blockchain (/tags/blockchain)

❖ Africa (/tags/africa)

❖ BitLand (/tags/bitland)

❖ OpenLedger (/tags/openledger)

❖ CCEDK (/tags/ccedk)

❖ Nigeria (/tags/nigeria)

◆ [Ghana \(/tags/ghana\)](#)

◆ [Christopher Franko \(/tags/christopher-franko\)](#)

◆ [Land Registry \(/tags/land-registry\)](#)

## Comments

Author Sandoval Alex

2016-08-18 04:15 PM

# DHS Awards \$400,000 to Four Blockchain Firms For Identity Verification Development

1049 Total views

212 Total shares



The Science and Technology (S&T) Directorate of the US Department of Homeland Security (<https://www.dhs.gov/>) is supporting four small firms with funds (<https://www.dhs.gov/science-and-technology/news/2016/08/12/news-release-dhs-st-awards-13-million-small-businesses-cyber>) to use Blockchain technology to support identity management.

## What are those Blockchain firms?

Digital Bazaar (<http://digitalbazaar.com/>), Respect Network (<https://www.respectnetwork.com/>), Narf Industries (<https://narfindustries.com/>) and Celerity Government Solutions

(<http://www.celerity.com/>) will all get \$100,000 each. They fall under the Applicability of Blockchain Technology to Identity Management and Privacy Protection research topic.

The topic is to use Blockchain technology, which centralizes and validates new entries added into an existing data field to support identity verification.

Digital Bazaar, Inc. is developing a Linked Data ledger format and architecture to demonstrate how to publish identity credentials, while Respect Network Corporation in Washington is developing a decentralized registry and discovery service to integrate with the public Blockchain.

For Narf Industries LLC in Washington D.C., it is working to achieve an identity management solution built on a permission-less Blockchain: confidentiality (with selective information disclosure), integrity, availability, non-DHS repudiation, provenance and pseudo-anonymity.

Celerity Government Solutions, LLC, Virginia, is researching Blockchain solutions to enable users to establish and maintain trusted identity transactions with public and private organizations.

Beyond the initial \$100,000 per-company SBIR award, each of these firms could get further funding based on initial project results and the projects' scientific and commercialization potential.

### What will DHS use the system for?

The SBIR proposal solicitation was released in December 2015. It included four topics developed by Cyber Security Division program managers to address the research and development needs of DHS components and the homeland security enterprise.

The DHS works with more than 240,000 employees in areas that range from aviation and border security to emergency response, from cybersecurity analysts to chemical facility inspectors.

Christopher Franko (<https://www.linkedin.com/in/christopherfranko>), Blockchain expert at Borderless Technology and President at Borderless Charity (<http://www.borderlesscharity.org/>), says:

*"It is really interesting to see the DHS fund any sort of Blockchain technology. It makes sense they would be starting with identity management first. It's also slightly ominous but I'm incredibly intrigued to know what they intend to use the system for. I've never heard of the companies they have decided to fund."*

He added that it would be good to know the criteria DHS used to choose these companies since there are other solutions being worked on now that are much further along such as his Borderless.tech (<http://www.borderless.tech/>) identity system.

*"Either way," he says, "moves like this mean blockchain technology is here to stay."*

◆ BlockChain (/tags/blockchain)

◆ Identity (/tags/identity)

◆ DHS (/tags/dhs)

◆ Christopher Franko (/tags/christopher-franko)

## Comments

Author Shivdeep Dhaliwal

2016-08-15 06:18 PM

# Is Blockchain The Missing Link for Internet of Things?

2018 Total views

619 Total shares



Economies spend a lot of money on infrastructure. Yet a lot of this infrastructure lies idle and is underutilised. Big industrial machinery, medical equipment and even ports and airports are mostly unused and not used to their fullest potential.

What if we were to find a way which would allow us to use our assets to their fullest capacity? It turns out that the answer may just be using the Blockchain.

Blockchain is the same technology that powers Bitcoin and is basically a distributed ledger which can move information on anything which has some value. Blockchain works as a secure peer-to-peer network and there is no need for intermediaries to keep it functional.

**Blockchain can open a chain of possibilities**

Blockchain and the Internet of Things (IoT) together are likely to bring about a difference in the way we utilise our infrastructure across sectors. Forbes (<http://www.forbes.com/sites/alextapscott/2016/08/08/the-internet-of-things-needs-a-ledger-of-things/#61af9f6539ee>) recently had a piece by Alex Tapscott (<https://www.linkedin.com/in/alex-tapscott-117638b>), the co-author of the book Blockchain Revolution.

Tapscott says:

*"Blockchain is a vast, global distributed ledger or database running on millions of devices and open to anyone, where not just information but anything of value – like money and units of energy – can be moved and stored securely and privately peer-to-peer, and where trust is established, not by powerful intermediaries like banks, governments and technology companies, but rather through mass collaboration and clever code."*

### The most important invention since the Internet or sliced bread?

Ernst and Young (EY) (<http://www.ey.com/GL/en/Industries/Financial-Services/Insurance/EY-Blockchain-technology-as-a-platform>) recently published a report which quoted Marc Andreessen (<http://www.forbes.com/profile/marc-andreessen/>), a leading venture capitalist as saying that Blockchain is the most important invention since the Internet itself.

EY describes ([http://www.ey.com/Publication/vwLUAssets/EY-implementing-blockchains-and-distributed-infrastructure/\\$FILE/EY-implementing-blockchains-and-distributed-infrastructure.pdf](http://www.ey.com/Publication/vwLUAssets/EY-implementing-blockchains-and-distributed-infrastructure/$FILE/EY-implementing-blockchains-and-distributed-infrastructure.pdf)) the implementation of Blockchain, saying:

*"Both incumbents and start-ups are actively looking to apply the technology to reduce costs or improve efficiency. The technology's potential to make ledgers more transparent, trustworthy and efficient leads to suggestions that it can possibly revolutionize financial services and other industries."*

### Keeping a record of the Internet of Things

Blockchain can be used in a variety of ways across sectors. EY has listed a few in its report and they have captured the use of the Blockchain in conjunction with the IoT well.

They cite an example on how IoT and Blockchain together can be used in manufacturing:

*"A distributed infrastructure-based IoT could power efficient product data-keeping. All information pertaining to a product from the point of manufacture through the time it reaches the end user can be stored on the ledger. This would include product history, revisions, warranty information and expiration date (if applicable), thus making the ledger a trusted source of product data. Via access to the maintenance schedules on the ledger, service requests can be triggered when a product requires maintenance."*

## If toasters could talk, what would they say?

There is also a possibility that in the future home appliances like toasters, fridges etc will be able to talk to each other. This is a seriously scary prospect for me at least. Imagine a future in which if a toaster is broken it will be able to call the service centre by itself and you might find a repairman at your front door. Consider a fridge which will know that you are out of eggs and will be able to order them from a shopping website. And, of course, the sellers of eggs and repairing companies will be able to use a Blockchain to verify that it is indeed your toaster or fridge that is calling.

## Toasters won't fly just yet though

We must remember though that Blockchain technology is still in its infancy. Certainly Bitcoin is a proven scenario in many ways and has stood the vagaries of time but when it comes to using Blockchain in fields like banking and insurance, we still have a way to go.

As for IoT, that field itself has miles to go but one thing is for sure, Blockchain can help IoT become more secure and sustainable.

As EY concludes in its report:

*"The Blockchain and distributed infrastructure technology are exciting developments that show promise for the financial services industry. While there are significant potential benefits to applying the technology, doing so successfully is a challenge. By thoroughly considering how the technology could meet business needs, and the role of other external and internal factors, firms can significantly improve the likelihood that their initiatives for distributed infrastructure will succeed."*

➔ [Blockchain \(/tags/blockchain\)](#)

➔ [Internet of Things \(/tags/internet-of-things\)](#)

Comments

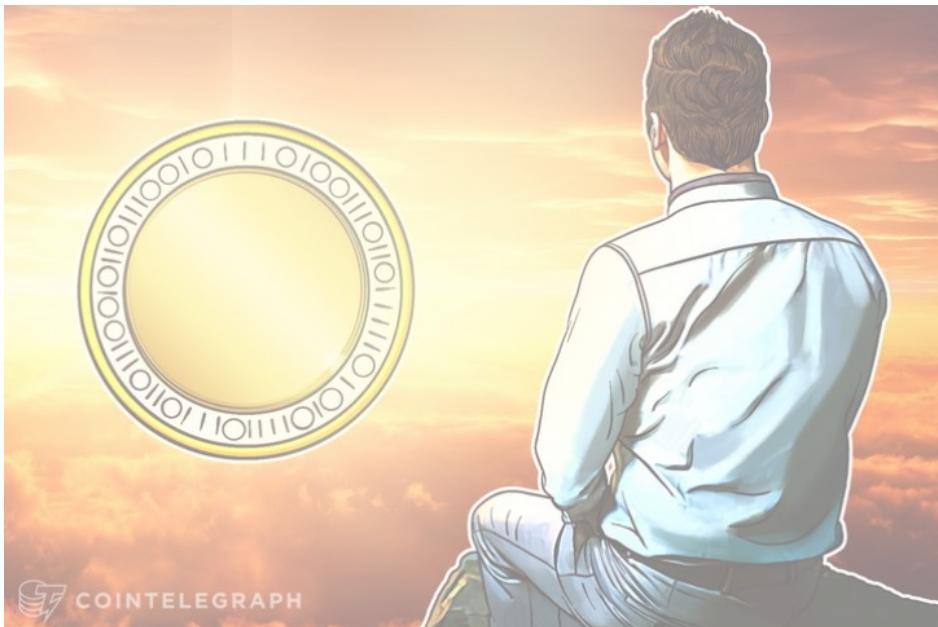
Author Joseph Young

2016-08-15 05:16 PM

# Legitimacy of Cryptoassets or App Coins, Their Real World Value

1108 Total views

199 Total shares

 COINTELEGRAPH

Recently, experts including Coinbase co-founder Fred Ehrsam (<https://www.linkedin.com/in/fredehrsam>) spoke of the importance of app coins and their potential to change the mechanisms of conventional and traditional businesses and operations. However, many members of the cryptocurrency and Bitcoin communities criticize the existence of app coins, questioning their legitimacy and real market values.

The emergence of Steem and other multi-million dollar altcoins in the market have triggered a massive resurgence of app coins, or crypto assets utilized by decentralized platforms as their native forms of payment. Some developers and companies have created business models entirely based on app coins, with operations and governance heavily reliant on the performance of its built-in crypto assets.

## Unique decentralized environments and financial networks

Over the past few years, platforms like Storj (<https://storj.io/>) and Steem (<https://steem.io/>) have attracted interest from cryptocurrency users and investors due to their unique operations and services based on crypto assets. Steemit for instance, enables users to incentivize content providers and creators with its built-in app coin called Steem, which is now worth around US\$165 million.

This feature and ability of app coins which allow businesses to establish their own unique decentralized environments and financial networks have been praised by some experts including Ehrsam.

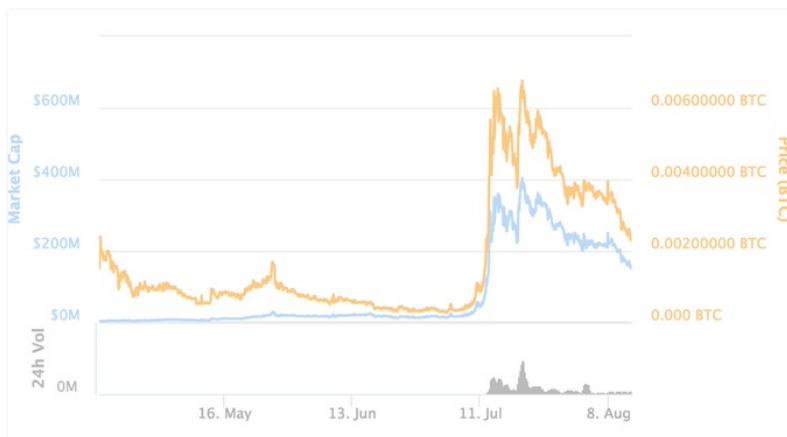
Ehrsam wrote (<http://medium.com/the-coinbase-blog/app-coins-and-the-dawn-of-the-decentralized-business-model-8b8c951e734f#.1qs0kfn8t>) in a blog post:

*"It is projects creating their own economic ecosystems to make the entire thing tick. More precisely, it is about an entirely new business model that is being created and tried for the first time: a decentralized business model."*

## Ponzi schemes?

In contrary, many members of the cryptocurrency community and industry have called out app coins like Steem for mimicking the models of ponzi schemes that are often built to raise money from investors but provide very little financial benefits to its users.

Tuur Demeester (<https://www.linkedin.com/in/tuurdemeester>), economist and Editor in Chief at Adamant Research voiced his concern about Steem on social media regarding the app coin's technicalities and legitimacy.



 **Tuur Demeester**  
@TuurDemeester

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As I said before, have serious concerns about \$STEEM. How is it mined? What's to say there's no hidden "god mode"?

6:28 PM - 12 Aug 2016

↪ 11    ❤ 31

Building on Demeester's concern, an app coin's value is solely based on the value of the network and the market significance it carries. Steem for instance, has been called out as a scam and a ponzi scheme by many Bitcoin enthusiasts and users, for its unclear technical basis and economic benefits.

One online forum user by the username of cryptohunter wrote (<http://bitcointalk.org/index.php?topic=1427230.0>):

*"First, they did a typical instamine/flashmine/freemine scam (yes scam) where they released no compiled wallets, no instructions to build and incomplete and inaccurate instructions to mine. After the first 12 or so hours of mining, all their miners crashed, exposing that they were mining to 100 different witnesses to hide the fact that they (he) was one entity. The devs wouldn't have been caught except that their mining instructions were wrong, and no one else was mining because, even if they couldn't get the client to build, they entered mining commands that caused them to get no blocks."*

### Either bad or are not good, app coins deserve to survive

Many technical data-backed claims of Bitcoin experts and researchers raised serious concerns and alerts for app coins like Steem, which have been utilized as a crowdfunding tool for many businesses over the years.

Brian Hoffman (<https://twitter.com/brianchoffman>), project lead at OpenBazaar and CEO at OB1 also conducted an online survey to explore others' opinion on app coins. The majority of people stated that app coins are either bad or are not good but deserve to survive.


**Brian Hoffman**  
@brianchoffman

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App coins are...

9:36 PM - 12 Aug 2016

20% Good
27% Bad
<b>53% Live and let live</b>

44 votes • Final results

◀ ▶ ♥ 2

Despite the concerns of many experts and cryptocurrency enthusiasts, Kumar Gaurav (<https://www.linkedin.com/in/kumargauravitc>), Cashaa CEO and co-founder, believes that is fundamentally wrong to accuse all app coins as ponzi schemes.

Gaurav told CoinTelegraph:

*"It's wrong to declare that all App coins are Ponzi schemes because the entire cryptosystem is based on such network trust and its value stays until the investors and traders have faith in the network. Using existing coins or creating a new coin could be a design scheme by the platform architect."*

While it is difficult to label and to describe the legitimacy of some app coins, users or investors are advised to thoroughly read through the white paper of the app coin and understand its technical and economical limitations before riding its hype train.

♦ Assets (/tags/assets)

♦ Appcoins (/tags/appcoins)

♦ Steemit (/tags/steemit)

♦ Ponzi Scheme (/tags/ponzi-scheme)

Comments

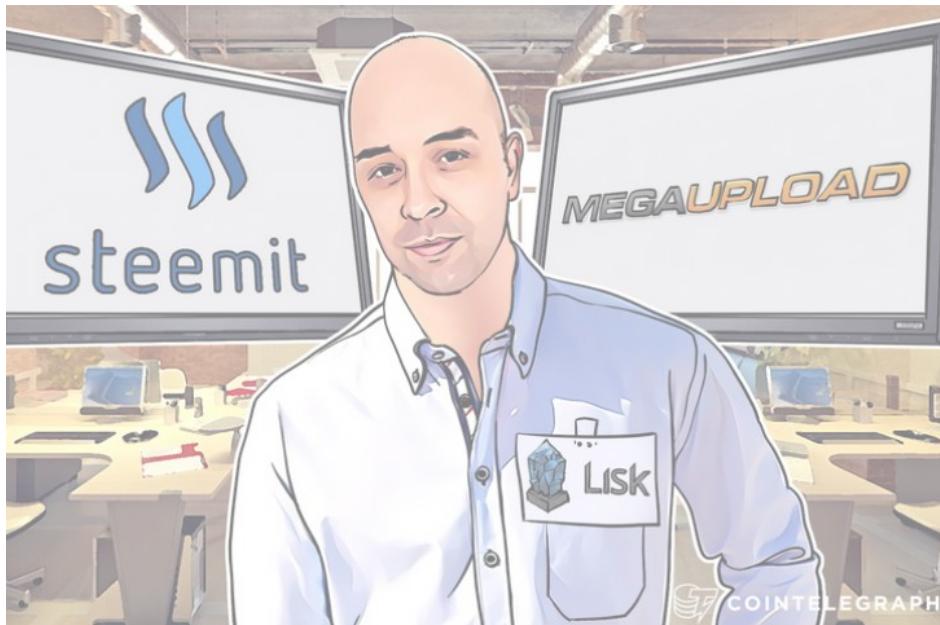
Author Olusegun Ogundesi

2016-08-15 01:07 PM

## Lisk Blockchain Platform Could Host Megaupload 2.0 and Steemit

2527 Total views

251 Total shares



Oliver Beddows (<https://uk.linkedin.com/in/oliver-beddows-19aa09107>), CTO of Lisk (<https://lisk.io/>), has responded in the affirmative to a question on whether the Lisk blockchain is currently able to host a project of Steemit (<https://steemit.com/>) size considering the stability of its network.

Beddows gave the answer on August 13th during the first technical meeting (<https://blog.lisk.io/lisk-community-technical-meeting-summary-august-13th-c958b5f8b0fc#.c338o16ex>) - the second community meeting focusing on the technical aspect of Lisk - where developers provided detailed answers to questions compiled before the meeting from the community of Lisk users.

Beddows says:

*"Yes, we believe Lisk can host a project of this size, if not greater. The reason for this are twofold, our choice of database system: PostgreSQL (<https://www.postgresql.org/>), which has many avenues for scalability, and secondly the fact that each sidechain operates autonomously from the mainchain with the minimum of parental dependency."*

## Steemit and Megaupload 2.0

Steemit (<https://steemit.com/>) is a decentralized social media platform which rewards posters and voters online. Lisk is not intending to do a similar project as Steemit.

Beddows adds:

*"Our platform requires a lot more development effort to establish the maturity and security required to operate such a high value sidechain, but the fundamentals are all there."*

In response to another related question, Lisk CEO Max Kordek (<https://twitter.com/maxkordek>) said Megaupload 2.0 (<https://torrentfreak.com/megaupload-2-0-to-launch-with-original-megaupload-user-database-160708/>) will not affect the Lisk platform as an open source project that can run everywhere.

Kordek says:

*"The Lisk project is a platform which enables the development of applications and services. An application like Megaupload 2.0 is only one use-case of what is possible with Lisk. If Kim's new project really takes off then it will benefit the whole blockchain space because it brings further adoption into it."*

The Lisk team says they have established communication channels with the major Lisk exchanges and will be asking the owners directly, particularly Poloniex next week, about enabling margin trading for Lisk.

👉 [Lisk \(/tags/lisk\)](#)    📁 [Megaupload \(/tags/megaupload\)](#)

👉 [Steemit \(/tags/steemit\)](#)

Comments

Author Olusegun Ogundehi

2016-08-13 04:06 PM

# Corda Will Support Digital Currencies, R3 Confirms

1536 Total views

211 Total shares



R3 (<http://r3cev.com/>)'s Corda (<http://r3cev.com/blog/2016/4/4/introducing-r3-corda-a-distributed-ledger-designed-for-financial-services>) distributed ledger platform will support digital currencies later, a spokesperson for the financial innovation company has confirmed.

Corda was used by R3 and over 15 of its consortium member banks to successfully complete two prototypes that demonstrate how distributed ledger technology can address the key challenges facing the \$45 billion global trade finance industry.

The spokesperson says to CoinTelegraph:

*"The prototypes didn't require native currencies, but the products we are developing will be designed to support existing fiat currencies and native digital currencies."*

## What is Corda?

Corda is a distributed ledger platform designed from the ground up to record, manage and synchronise financial agreements between regulated financial institutions. It is built on industry-standard tools, supports a variety of consensus mechanisms and has no native cryptocurrency.

The banks designed and utilised self-executing transaction agreements, known as smart contracts, on the platform to process accounts receivable (AR) purchase transactions, also known as invoice financing or factoring, and letter of credit (LOC) transactions.

Both AR and LOC transactions are widely used methods of trade financing in global financial markets. According to the spokesperson, the prototypes produced findings that can be rolled into new products some of which could be ready for production and use in 2017.

They will be available to all interested users and not just for the member banks that participated in the trial - Barclays, BBVA, BNP Paribas, Commonwealth Bank of Australia, Danske Bank, ING Bank, Intesa Sanpaolo, Natixis, Nordea, Scotiabank, UBS, UniCredit, U.S. Bank and Wells Fargo.

### Designing prototypes

On the choice of designing prototypes to process AR and LOC transactions and not any other form of transactions, the spokesperson says AR and LC transactions contain most of the essential elements of other trade finance transactions and both prototypes provided extremely valuable learnings that can be applied to the broad range of other transactions types.

The writer notes via email:

*"AR finance, for example, both intercompany and bank lead, accounts for over 70% of global trade finance, and is at the core of the growing open account business and "supply chain finance". The LC prototype, despite being designed around a traditional unloved product, is still a core trade services product offered by leading banks in the global trade industry and provided valuable feedback in the area of transaction speed and cost savings."*

### Saving time and reducing fraud risk

Traditional processes surrounding trade finance are largely paper-based, time consuming and prone to risk and fraud. These inefficiencies undermine trade which is a significant source of revenue for banks.

However, with this technology, estimates suggest that it has the scope to reduce operational and compliance costs of paper-based trade financing by 10 to 15% and provide a platform for banks to grow revenues by as much as 15%.

Distributed ledger technology's ability to provide a single, immutable record of a trade, verified by all parties involved in a transaction provides several benefits for trade financing which include reducing fraud risk and removal of time-consuming reconciliation processes.

➔ R3 (/tags/r3) ➔ Corda (/tags/corda)

➔ Digital Currency (/tags/digital-currency)

## Comments

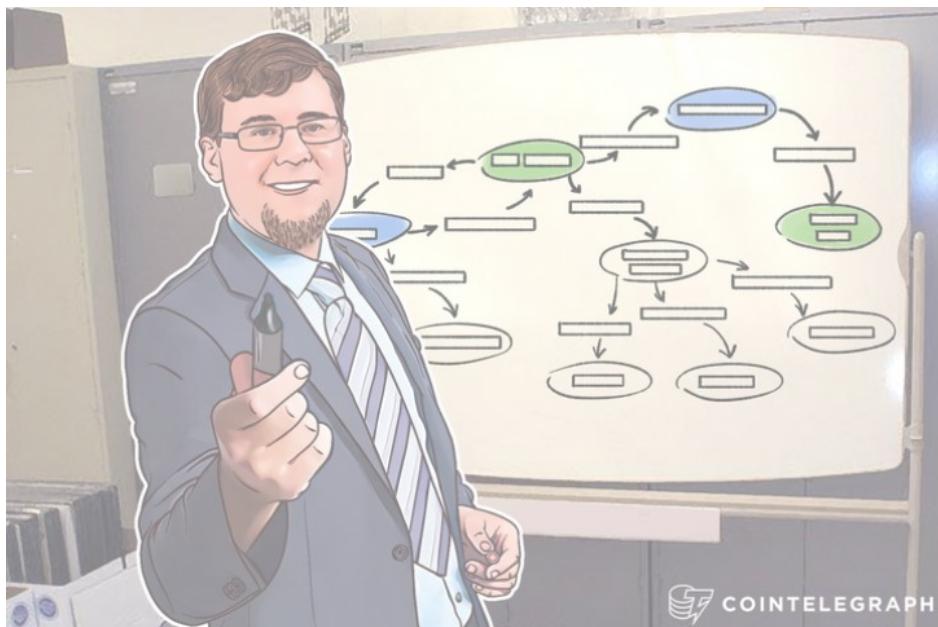
Author S. Matthew English

2016-08-12 05:00 PM

# Unbalkanizing the Blockchain Ecosystem: Emergence of Semantic Blockchain

1268 Total views

179 Total shares



In a recent interview Bitcoin core developer Jeff Garzik proffered a vision of the Blockchain development phase now underway, in which he described "a mesh network of cross-chain smart contracts"

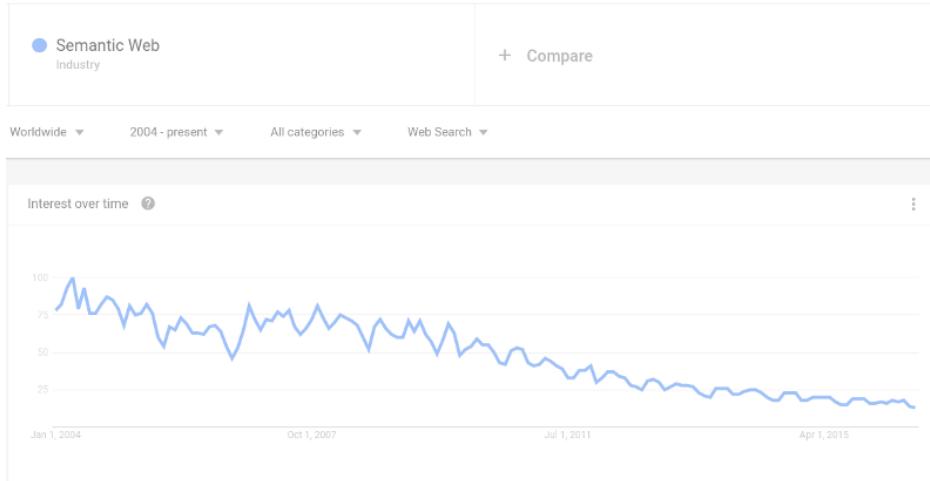
([https://www.reddit.com/r/Bitcoin/comments/4j7v5p/jeff\\_garzik\\_bitcoin\\_is\\_moving\\_to\\_new\\_growth\\_stage/](https://www.reddit.com/r/Bitcoin/comments/4j7v5p/jeff_garzik_bitcoin_is_moving_to_new_growth_stage/)).

To those familiar with the ideas of the Semantic Web (<http://www.cambridgesemantics.com/semantic-university/introduction-semantic-web>) and the global ecosystem of Linked Data these concepts should sound startlingly familiar.

## Initial Tremors

The Semantic Web of Linked Data was supposed to transform the Web from a distributed file system into a distributed database system. But way back in 2006, Sir Tim Berners-Lee, the man credited with the WWW conception, said that the vision of the Semantic Web was "largely unrealized".

For many this proclamation definitively sounded the death knell on an ambitious area of research. Google trends is an easy mechanism for confirming this dismal state of affairs, and it seems safe that the notion of the "Semantic Web" can now take up its mantle in the dustbin of history.



But in our haste to disregard this formerly compelling avenue of exploration we might do well to remember Lazarus or Napoleon, or, for that matter, the once completely infeasible notion of digital money. "You'll never step in the same river twice", said Heraclitus, but some dead ideas have an uncanny way of them of coming back with a vengeance.

### Semantic Renaissance

The dark ages describe an era of European history wherein much of the culture and civilization established under the Roman Empire was forgotten or disregarded until the epoch we know of as the Renaissance.

The latest and greatest trend in Artificial Intelligence is Deep Learning (<http://deeplearning.net/>) which was responsible for the recent victory (or defeat, depending on your perspective) in the struggle of Machine vs. Man over the game of Go.

The aficionados of "Deep Learning" are aware of the Dark Ages into which Neural Networks research was plunged by the highly critical 'Perceptrons: An Introduction to Computational Geometry' by Minsky & Papert, a work which did much to precipitate a 20-year freeze on exploration.

The same story is familiar to those who have spent any time studying the development of digital money and the ill-fated attempts of the 1990's at its realization. In 2008, finally there came the fusion of existing disparate frameworks in a novel way which enabled the creation of Bitcoin which gave rise to the Blockchain as a useful data structure.

### Unbalkanizing the Balkanized Blockchain

The interchange of homogeneous data facilitated by Blockchain technologies, a new framework for information (value) transmission, might just be the catalyst needed to spur the ideas of the dormant Semantic Web community into reality. This is the lofty ambition at which, in one way or another, a series of projects are currently taking aim.

Rootstock, Interledger, IPLD, and Pegged Sidechains are attempts at breaking down the nascent data silos in the quickly Balkanizing Blockchain ecosystem giving new life to the concept of a "Web of Data".

The progress of Blockchain technologies thus far has unfolded as a drama of epic proportions and in the context of this development one might catch a glimpse of what its future could have in store.

## Blockchain Development: An Internet Drama

### **Act I:** The Gold Protocol

The curtain opens on a fledgling digital currency, the first use case of Blockchain as a data structure.

### **Act II:** Smart Contracts

The Ethereum project realized the idea of smart contracts on an open and universally accessible "world computer".

### **Act III:** Consortial Blockchain

Large institutions call for multiple private chains with comprehensive permissioned access.

### **Act IV:** Semantic Blockchain ...

The road ahead

The next chapter in the development of Blockchain as a technology is not yet determined - and the degree to which concepts from the "Semantic Web" are incorporated into its structure will do much in the way of defining the future interoperability and accessibility of this platform. This will characterize the nature of organizations which take shape around it - and to the extent that we interact with these operations - our lives.

◆ [BlockChain \(/tags/blockchain\)](#) ◆ [IOT \(/tags/iot\)](#)

◆ [Bitcoin \(/tags/bitcoin\)](#)

◆ [Semantic Blockchain \(/tags/semantic-blockchain\)](#)

#### Comments

Author Olusegun Ogundesi

2016-08-12 04:05 PM

## The 'Big Four' to Establish Their Own Blockchain Consortium

3966 Total views

994 Total shares



The four major accounting firms in the world are set to meet with the American Institute of Certified Public Accountants (<http://www.aicpa.org/>) to discuss the establishment of a distributed ledger consortium.

Known as the 'Big Four', Deloitte (<http://www.deloitte.com/>), Ernst & Young, (<http://www.ey.com/>) KPMG (<https://home.kpmg.com/us/en/home.html>) and PwC (<http://www.pwc.com/>) will be looking at various Blockchain solutions for the accounting sector just as the R3 Consortium - which has over 50 members - has been doing the financial sector.

### R3 seems to have set a trend

R3 and over 15 of its consortium member banks recently successfully completed two prototypes which demonstrate how distributed ledger technology can address the key challenges facing the \$45 billion global trade finance industry. They used smart contracts on R3's Corda distributed ledger platform to process accounts receivable (AR), purchase and letter of credit (LOC) transactions.

The R3 Consortium (<http://r3cev.com/>) operates based on the philosophy that the distributed ledger technology has the potential to change financial services as profoundly as the Internet changed media and entertainment.

### Big ambitions of the 'Big Four'

Embracing this technology will enable the 'Big Four' to improve on their efficiency particularly as they all have a presence in over 150 countries and between them control over 710,000 employees. Their combined global revenue (<http://news.efinancialcareers.com/us-en/204621/working-for-pwc-deloitte-ey-and-kpmg-whats-the-difference/>) for 2015 was over \$123 billion.

These firms provide an extensive range of accounting and auditing services including external audit, taxation services, management and business consultancy, and risk assessment and control. The technology will help in their design and production process.

A look into using distributed ledger technology on a large scale could be a shift for these 'Big Four' accounting firms as some of them had earlier looked into artificial intelligence.

### Kira, Watson and Jeopardy!

Earlier this year, KPMG had announced that it was signing up to IBM (<http://www.ibm.com/>)'s "Jeopardy! (<http://www.jeopardy.com/>)" - an analytics service to help with its auditing requirements - then Watson ([http://en.wikipedia.org/wiki/Watson\\_%28computer%29](http://en.wikipedia.org/wiki/Watson_%28computer%29)) for the analysis and detection of anomalies in massive volumes of financial data.

Deloitte deployed an artificial intelligence contract analysis tool, Kira (<https://kirasystems.com/how-it-works/contract-analysis>), which studies what's important to reviewers in contracts and then identifies important information across large pools of agreements.

❖ BlockChain (/tags/blockchain)      ❖ R3 (/tags/r3)

❖ Deloitte (/tags/deloitte)      ❖ Ernst & Young (/tags/ernst-&-young)

❖ KPMG (/tags/kpmg)      ❖ PwC (/tags/pwc)

## Comments

Author Angus Leung

2016-08-11 03:37 PM

## \$1.6Mln Bitcoin Auctioned Off in US: Will Bitcoin Price Increase?

2796 Total views

256 Total shares



\$1.6 million in confiscated Bitcoin will be auctioned off in a single day by the US Marshals Service (USMS).

### Auction announcement

Totaling around 2719 BTC in one block, the Bitcoin comes from various sources connected to both criminal and civil cases. The auction will be online on August 22, 2016 from 8AM EDT to 2PM EDT according to the USMS (<https://www.usmarshals.gov/assets/2016/bitcoinauction/>) in a statement.

With a large portion of the prize forfeited coming from the Silk Road investigation, the USMS stated that only 2.8 BTC actually came from the United States v. Ross Ulbricht case (<https://cointelegraph.com/news/silk-roads-ross-ulbricht-sentencing-details-revealed>) while another 1294 BTC was from Matthew Gillum, one of Silk Road's dealers. Another 65 BTC was from the Carl Force case (<https://cointelegraph.com/news/ex-dea-agent-pleads-guilty-to-stealing-over-700000-in-silk-road-case>), in which he was sentenced for stealing Bitcoins during the investigation of Silk Road.

Other sources include the IRS, US Department of Justice, Bureau of Alcohol, Tobacco, Firearms and Explosives, Homeland Security and Department of Treasury. The USMS also said that 664 BTC was from the Sean Roberson case (<http://www.foxbusiness.com/features/2016/08/08/u-s-to-auction-1-6m-bitcoin-from-various-cases.html>). Prosecutors said he created an online store to sell counterfeit credit and debit cards. These might be the last Bitcoins for the Ross Ulbricht case for running Silk Road, the infamous Bitcoin-accepted online black market.

## How to participate

In order to participate in the auction, bidders must first register with the USMS by August 18 to be eligible to submit a bid on the Bitcoins worth \$1.6 million USD (BitStamp). As well, bidders must deposit \$100,000 before the auction via wire transfer, including a receipt to prove the transfer.

During the auction, once a bidder places a bid, there can be no changing it. This is Bitcoin that is being auctioned which means that the winner will get the most volatile cryptocurrency to keep. There is a very high chance of increasing value.

Since bidders are buying at a \$586 per BTC and the highest price in the last few months has been \$750, it will be a bargain. If they hold and sell at a higher price, this auction will be profitable for the winner. Also, if they don't sell, they keep a piece of history.

## Will this affect Bitcoin's price?

With this announcement by the USMS, this will raise the awareness of Bitcoin and might potentially increase trading volumes or price. Also, with the amount of Bitcoin transferred to the highest bidder, no one knows if they will hold onto their Bitcoin long-term or will sell once Bitcoin reaches another 3-month high

During the 2014 USMS Silk Road (<http://www.coindesk.com/bitcoin-price-rises-silk-road-auction-spurs-investor-interest/>) auction of 30,000 Bitcoins, the Bitcoin price rose by \$50 over the course of a day due to the interest of investors. For now, we must wait and see if the winner will hold or sell. Once they sell, the price for Bltcoin should increase due to some 2719 Bitcoins placed at the same price.

Exchanges such as Kraken have a trade volume of around 23,000 BTC, with 2719 added, this might influence the bids.

➔ Bitcoin (/tags/bitcoin)

➔ Auction (/tags/auction)

➔ USA (/tags/usa)

➔ Bitcoin Price (/tags/bitcoin-price)

Comments

Author Niall Maye

2016-08-10 04:30 PM

# Report on Global Uses of Bitcoin 2016 to

# Come Out Tomorrow

1259 Total views

197 Total shares



Jamie McCormick who runs the Bitcoin Marketing Team (<http://bitcoinmarketingteam.com/>) and BitcoinsInIreland has just released the results of their second annual global survey which took place between April and June 2016 on the uses of Bitcoin. On the question of the active use of Bitcoin 65% said they had sent or received Bitcoin in the last week while 9% of respondents had not yet used it.

The full results will be published on Thursday afternoon by 3pm GMT on [www.bitcoinsinireland.com](http://www.bitcoinsinireland.com) (<http://www.bitcoinsinireland.com>)

Jamie McCormick (<https://www.linkedin.com/in/jamiemccormick>) says:

*"We're really happy to publish the report this week, and we hope that people studying, investing or working in the Bitcoin and Blockchain industries find it a useful snapshot of the industry in 2016."*

The survey results also give a fascinating insight into how Bitcoin users view themselves, what they like and dislike about the digital currency, losing wallets, and exchange usage covering everything from hacks to shutdowns to users gambling habits and the many angles of mining.

## How was the survey carried out?

The team, which included volunteers from the Irish games industry, Bitcointalk and reddit to help localise the survey into 13 languages, have already laid the groundwork for next year's Bitcoin survey. At the request of community

members they are currently looking for partners in the Chinese and Russian Bitcoin media as well as adding Indonesian, Portuguese, Filipino and Indian languages to next year's survey.

In an attempt to reach as many Bitcoin users as possible the survey was made available in 13 different languages ranging from Chinese to Romanian and gives an insight into the usage and users of the digital currency not seen before.

There were 1.25 Bitcoin incentives put up against 16 rewards for participants to take part from 0.05 btc to 0.5 btc which were randomly drawn and distributed between the winning respondents throughout the time of the survey.

McCormick said there were several objectives he was aiming to achieve from this. Some included conducting a primary research project to help guide his own company's development and engage his agency clients and website readers in an attempt to get a global, non-US focused view on how people use Bitcoin around the world.

They identified the areas they wanted to get information on across 37 questions including demographics, active use of Bitcoin, opinions on wallets, exchanges, gambling, mining, Bitcoin losses and the pros and cons of Bitcoin.

### Who were the respondents?

Responses were collected from 68 countries around the world with the majority coming from Europe, North America, South America and South-East Asia.

Age demographics showed respondents ranged from 15 to 71 years old, gender demographics show the industry is still strongly male-dominated with male respondents being 91.8% of the total, females were 5.7%, with 2.5% choosing not to specify.

Involvement in Bitcoin revealed the majority of respondents have been using Bitcoin from 2013, although there were respondents going back as far as 2009 and as recently as 2016.

Report (/tags/report) Bitcoin (/tags/bitcoin)

Jamie McCormick (/tags/jamie-mccormick)

### Comments

Author Jacob Timp

2016-08-10 03:50 PM

## French Startup Bitit to Launch New Bitcoin Buying Platform

1417 Total views

249 Total shares



Bitit (<http://bitit.gift/>) is a French Bitcoin startup which keeps reinventing itself. After making a big splash by letting users buy Bitcoin through a Bitit code redeemable into Bitcoins, and with cash in 100K+ local stores, Bitit is now proposing a new killer platform which lets you buy Bitcoins in few seconds.

This is a story in the making for a startup which has big product ambitions and wants to play a major role in the cryptocurrency space. Bitit is starting from scratch again and is rethinking its Bitcoin buying platform service.

Nicolas Katan (<https://www.linkedin.com/in/nicolas-katan-07a58334>), Founder of Bitit, says:

*"The first digital goods that we sold were Bitcoin (<https://bitcoin.org/>). We chose Bitcoin because it's a low hanging fruit where there is more market depth, more transactions and where needs are the most recurrent."*

### Meeting demand for seamless Bitcoin purchase

From its start nearly 8 months ago Bitit had processed more than half millions euros, user growth exceeded expectations, and the company spent a lot of time addressing feature requests.

Available in more than 50 countries (and counting) the company now have stronger partnerships with payment institutions and processors. Bitit is now ready to embrace the demand for a seamless Bitcoin purchase.

Katan tells CoinTelegraph:

*"Leaving the prepaid gift card aspect allowed us to build a platform which is perfectly in line with our vision. We allow individuals and institutions to buy any digital tokens at any time within seconds."*

The company will be limiting credit/debit card purchases to 500€ worth of Bitcoin per week, compared to \$10,000 per week when buying Bitcoin with cash through Neosurf prepaid voucher.

Last but not least, there is no identity verification for your first 25€ Bitcoin purchase, which is really appealing for Bitcoin enthusiasts who want to buy their first Bitcoin. Also all Bitit users can earn points and redeem them to save on their Bitcoin purchase.

### Processing high risks transactions

Bitit has specialized int processing high risks transactions. Selling Bitcoin by credit card is not as easy as selling any other e-commerce goods.

Ugo Mare (<https://www.linkedin.com/in/ugomare>) CTO at Bitit, says:

*"Bitit has to know and identify each of our customers above and beyond what is required for compliance as it is the only way for security, excellence and the highest quality of services for our customers."*

This is key to understanding Bitit's approach. By intellectually routing transactions and understanding the risk model for online transactions, Bitit increases the profitability for each customer by inherently increasing their life-time value.

### New financial services

Bitit have 3 distribution channels, but the company is now creating new financial services where third parties can add a Bitit functionality into their websites and applications. It allows users to buy Bitcoin directly on third-party websites.

Bitit is acting like a credit card processor, but with one more thing: they promptly deliver Bitcoin to a user wallet. Bitit has already closed an undisclosed partnership with a well-known Bitcoin platform, and they will release the functionality in the next weeks.

Currently the company is in negotiation with new distribution network specialists to launch cash-for-Bitcoin, buying in more than 200K+ convenience stores around the world. They are also gaining interest from those distribution network specialists to add the Bitit gift card on their network.

Chris Marcilla (<https://lu.linkedin.com/in/chrismarcilla>) Head of Risk Management at Bitit, explains:

*"Our Risk Management Platform (RMP) is our prime tool to use everyday in order to improve integrity, accuracy, credibility and security of our operations."*

The Paris based team of five will raise a seed round in the coming months. But the product is already very impressive. The design and technology behind Bitit already make it a serious Bitcoin buying platform contender.

➔ Bitit (/tags/bitit) ➔ Bitcoin (/tags/bitcoin)

➔ Nicolas Katan (/tags/nicolas-katan)

➔ Transactions (/tags/transactions) ➔ Startups (/tags/startups)

➔ Paris (/tags/paris)

## Comments

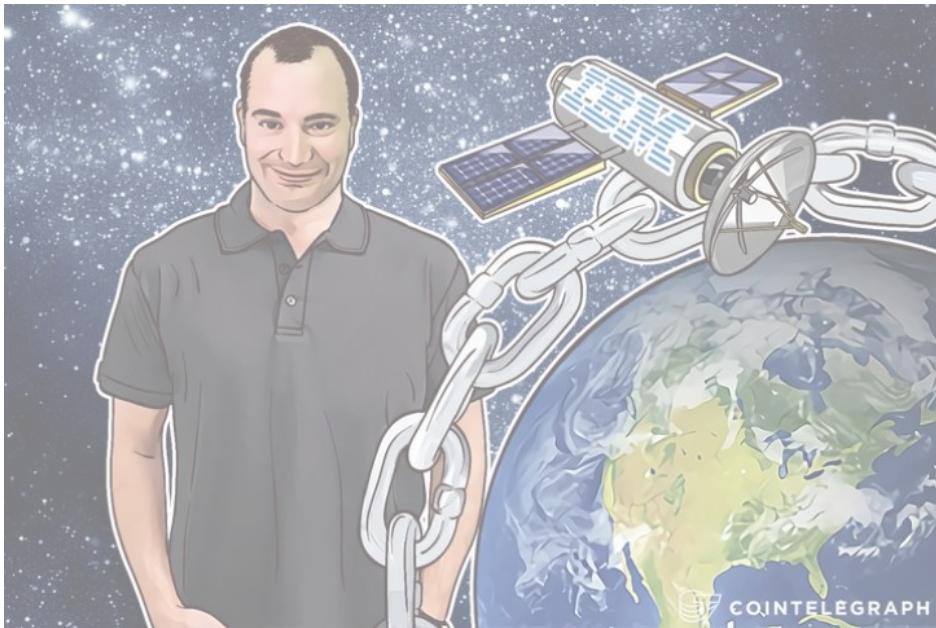
Author Shivdeep Dhaliwal

2016-08-10 02:50 PM

# IBM to Launch One of the Largest Blockchain Implementations in the World

5050 Total views

1073 Total shares



IBM has been in the IT business for over 100 years and they have been a dominant force in all this time. Over the years the company has made a mark on several areas in which it has come up with innovative ideas and products. They have had a hand in the development of the disk drive, magnetic strip cards, ATMs, Fortran language and much more.

It comes as no surprise then that IBM is also behind one of the largest implementations of Blockchain in the commercial sphere. IBM Global Financing is expected to use a Blockchain solution to address disputes in the financing

arm of the company and free up tied capital, thus leading to more efficiencies.

In order to know more about IBM's plans about the Blockchain in general and also the upcoming Blockchain implementation by IBM Global Finance, CoinTelegraph talked with Gennaro 'Jerry' Cuomo (<https://www.linkedin.com/in/jerry-cuomo-0891902>). Cuomo has been with IBM since 1987 and is currently the Vice President of Blockchain Technologies (<http://www.ibm.com/blockchain/>) which happens to be a business unit within the IBM Cloud Group.

## IBM's Blockchain Strategy

IBM has taken a three-pronged approach to the Blockchain - community, cloud and clients. They continue to maintain a focus on core technology which they do so as a community under the Hyperledger Project of the Linux Foundation (<https://www.hyperledger.org/>). They are also determined to support this core technology by helping client services through the cloud. This allows their clients to spend less time worrying about Blockchain management and more on application development.

Finally, IBM is using Blockchain for interesting new cases like supply chains, auditing and client engagement. They have come up with IBM Garage which is useful for client engagement and supports Blockchain activity around the world. They have centres in New York, Singapore, London and Tokyo where IBM works with clients on Blockchain oriented design.

## IBM Global Financing brings Blockchain to Real World

IBM Global Financing is the world's largest IT captive financier and helps their clients access solutions that they require for their growth.

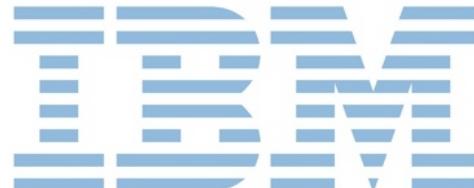
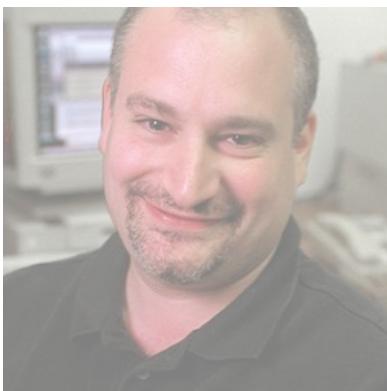
They finance IT hardware, software and services. IBM will soon be implementing a Blockchain solution that will allow them to handle dispute resolution more effectively, making this particular implementation of Blockchain the world's largest.

Jerry Cuomo, Vice President of Blockchain Technologies at IBM says:

*"You have this global finance lending network - we run \$44 billion a year. And we can make this so much more efficient if we built it on the Blockchain and we shared the lending ledger with our partners and suppliers etc and we actually went into a garage session for a few days and we dreamed about it the first day and we were all excited. The fact that in any given year we see about 25,000 disputes within the lending network and this ties up cash, in some cases it can be significant cash....\$100 million at any given time....could be held up in disputes. It should be made more efficient so a dispute did not take 40 days on average to resolve ."*

IBM then ran a proof of concept earlier this year. They tested the use of a shared ledger to do compliance and triggered events which were from ledger to ledger to quickly resolve the disputes to find the last point in time where

everything was agreed upon. They recorded 2 years of transactions on their lending network and ran simulations and were able to see that, on average, they were able to resolve a dispute in under 10 days.



Cuomo says that the results were exciting and they hope to be able to bring the Blockchain live:

*"We are going to learn a lot, you know I don't think anyone is going to get to any of these big exciting projects in one step, we're gonna have to take steps along the way and a dispute ledger is one type of thing that I think will educate us and also bring value, that's why we are very excited about this. So you know we are not just talking the talk with technology, you know the parts of IBM and some of the B2B networks that are also walking the walk, you know by trying out these networks, we hope to go live in the not too distant future with the dispute ledger."*

### No one Blockchain to rule them all

It seems that while a lot of work is being done on Blockchain by IBM and others, there may be some inevitable reinvention of the wheel happening as well. The need for open standards and co-operation came up when we interviewed Cuomo.

Talking about interoperability, Cuomo says:

*"I think the Blockchain that we are talking about will have to have special things like regulatory compliance but Blockchains will need to interoperate and the interoperability standards are going to be important as we go further down the road, so what better time to start than now? I have recently testified to congress at a congressional hearing but also at a presidential commission on national cyber security. Blockchain has come up on all of those and one of the messages that I have put out there was the need for standardization."*

There is also a question of open standards and more co-operation. Cuomo is categorical in saying that he feels that even cryptocurrency Blockchains have to work with each other and private Blockchains in the future.

He says:

*"I absolutely think that there should be more co-operation. Blockchains have to work together even if they are different, even if they have a slightly different purpose. The Blockchain that we are working on in the hyperledger project needs to work even with the Bitcoin and Ethereum networks. These things have to interoperate to work together. I think the purpose of the hyperledger project is not only to produce different types of software assets but also to define interoperability standards. We should get the message out that please come and hang out with us at the hyperledger project regardless of what type of Blockchain you are working on. I don't think there is going to be one Blockchain to rule them all."*

### Small steps can lead to a big moonshot

There has been a lot of talk of Blockchains in different spheres lately but before anything can become mainstream, it needs a lot of real world testing. This is especially true in fields where there is a lot of regulatory oversight like banking and finance.

We asked Cuomo his views on real world testing and he says:

*"Blockchain has captivated the imagination of banks and many financial institutions, stock exchanges etc. You know how you can let them have settlements instantaneously instead of 3 days. All of this is within the realm of possibility now with Blockchain. I would say the more diverse the audience interoperating in the Blockchain network, again the longer things will take to get to production. However, there are many, many starting points that in my terminology I call moonshots, things that are absolutely worth striving for that take careful planning to get there but there are things that we can do along the way. In fact, without doing these things we would never get there, so, for example, client ledgers are a great place to start, hence every business big or small needs to be compliant about something and some compliance tracking is just boring and there is not a lot of value for businesses, but you have to do it and you have to do it right."*

IBM (/tags/ibm)

BlockChain (/tags/blockchain)

Comments

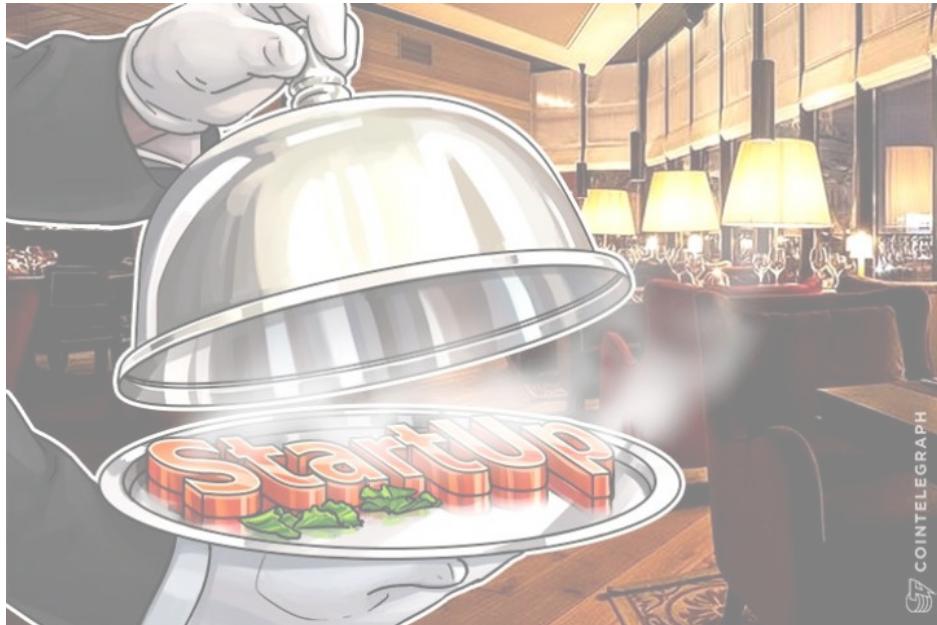
Author Rebecca Campbell

2016-08-10 12:30 PM

# Iceland's Money-Honey: The 10 Hottest Nordic Fintech Startups

1946 Total views

451 Total shares



While London may be considered as the Fintech hub for startups in Europe, the Nordic countries such as Sweden, Norway, Denmark, Iceland, and Finland, are also making a presence in what is becoming a competitive market.

We've put together a list of the ten hottest Nordic Fintech startups that deal with digital currencies, payment apps, online lending and more.

1. Safello (<https://safello.com/>) – Founded in 2014, Stockholm-based, Safello, is Sweden's answer and link to the Bitcoin marketplace. Operating an online exchange for Bitcoin, Safello signed a proof of concept deal with Barclay's in 2015 to determine how the Blockchain could be harnessed in the financial sector. It supports 32 countries in Europe, and with tens of millions of SEK, Euro, and GBP in and out of Bitcoin processed, Safello is leading the cryptocurrency revolution in Europe.
2. Lendino (<https://www.lendino.dk/>) – Copenhagen-based, Lendino, is a Danish peer-to-peer lending platform with a vision to make it easy and faster to borrow money while making an attractive lending opportunity for investors.
3. LunarWay (<https://lunarway.com/>) – Founded in August 2015, LunarWay is set in the heart of the city of smiles, Aarhus in Denmark, where it aims to change the old way of banking. With the intention of targeting the millennium market, LunarWay has developed an app-only bank with everything available right at your fingertips. With the intention of providing a seamless banking experience customers can check their balance, move money, and make payments through the app.
4. Auka (<https://www.auka.io/#/>) – Based in Oslo, Norway, Auka is a mobile

payment app that has become popular in Norway and permits people to pay their friends straight from their smartphone or to simply pay merchants in-store with the use of the Auka app.

5. Meniga (<http://www.meniga.com/>) – Founded in 2009, this Icelandic company creates personal finance management tools for banks such as ING, Islandsbanki, and Skandia, reaching a massive 25 million people across 16 countries.
6. Coinify (<https://www.coinify.com/>) – As the second Bitcoin company on the list, Copenhagen-based Coinify aid merchants in their goal of accepting the digital currency in addition to helping them build tools, so that users can pay with Bitcoin. Coinify recently attracted a new fintech investor with Swedish banking investor, Skandinaviska Enskilda Banken (SEB) helping to build its Blockchain payment services in Europe.
7. Fixura (<https://www.fixura.fi/fi-fi/home/>) – Vasa-based Fixura is Finland's oldest peer-to-peer lending platform with more than 70, 000 registered users today making the company the largest P2P lender in the Nordic countries. Since its launch in 2010, Fixura has lent more than €57 million over the platform with an average yearly return of over 10 percent.
8. Trustly (<https://trustly.com/en/>) – This Swedish technology company, based in Stockholm, has developed an online payment method enabling online banking e-payments to make online payments convenient, simple, and safe for the merchant, consumer, and the bank. Founded in 2008, Trustly was shortlisted by FinTech City London, in 2015, as one of the 50 European FinTech companies that will revolutionize the financial services sector.
9. Edgefolio (<https://edgefolio.com/>) – Edgefolio is a platform that connects potential investors with hedge funds. Launched in 2013, the platform allows hedge funds to market themselves as potential investors and search for the best deals where they can look through more than 11,000 hedge funds.
10. Tink (<https://www.tinkapp.com/en/>) – Tink is a free private personal finance app that categorizes your spending and keeps track of your budget in one app. Tink allows users to pay bills online from different accounts straight from the app. It will automatically categorize and organize a user's finances to make it easy to follow their spending over time. Founded in 2012, the company has over 350,000 users in Sweden and is expanding across the rest of Europe.

🏷 Iceland (</tags/iceland>)

🏷 Startups (</tags/startups>)

🏷 Safello (</tags/safello>)

🏷 Coinify (</tags/coinify>)

Comments

Author lyke Aru

2016-08-09 01:32 PM

# Despite Recent Hacks, Bitcoin Remains The Superhero

1415 Total views

257 Total shares



The Bitcoin market is maturing (<https://cointelegraph.com/news/new-study-reveals-maturation-of-bitcoin-economy>). This is shown by the relative stability noticed in recent times which could be as a result of certain factors that have come into play especially within the past year.

Prior to this year, Bitcoin was subject to volatile swings in its value. While the risk is still there, it appears that only major fundamental events are triggering the same kinds of movements which were commonplace just a few years ago.

Cointelegraph asked experts what could be the reason for the relative stability being experienced within the Bitcoin market and what this implies for the cryptocurrency.

## Bitcoin is maturing

Jason Cassidy (<https://www.facebook.com/JasonCassidyMusic/>) of Emercoin says the prevailing pattern shows that the Bitcoin market is maturing.

Cassidy says:

*"Indeed, the Bitcoin market is maturing which over time will usher in waves of stability. I expect these to increase over time as volatility decreases."*

He continues by saying that as the cryptocurrency grows in popularity and utility it will begin to function more like a currency. People holding Bitcoin will find it more of a store of value which is part of the growing pains being experienced by Bitcoiners.

"In the future the bubbles should decrease in scope (smaller % increases, law of large numbers coming into play). Still, there is a tremendous amount of upside left towards the journey to mainstream acceptance," concludes Cassidy.

### Speculators have moved to Ethereum

Alena Vranova (<https://www.linkedin.com/in/alenavranova>) of SatoshiLabs identifies a few factors which could be responsible for the relative stability, which includes the creation of Ethereum.

Vranova says:

*"I'd assume that a portion of investors and speculators moved their portfolio to Ethereum. Also the Bitcoin market is on its way to becoming more mature, and there's less panic with sudden swings."*

### More liquidity, less crooks, increased ability to hedge

According to David Mondrus ([https://www.linkedin.com/in/mongoosenewyork?authType=NAME\\_SEARCH&authToken=cjO6&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A3943654%2CauthType%3AENAME\\_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470695128676%2Ctas%3ADavid%20Mondrus](https://www.linkedin.com/in/mongoosenewyork?authType=NAME_SEARCH&authToken=cjO6&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A3943654%2CauthType%3AENAME_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470695128676%2Ctas%3ADavid%20Mondrus)), three major factors are responsible for the recent behaviour of the Bitcoin market and in a particular order: more liquidity, more players, less crooks.

Fran Strajnar ([https://www.linkedin.com/in/fran-strajnar-5399a640?authType=NAME\\_SEARCH&authToken=r\\_L&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A145785213%2CauthType%3AENAME\\_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470695024988%2Ctas%3AFran%20Strajnar](https://www.linkedin.com/in/fran-strajnar-5399a640?authType=NAME_SEARCH&authToken=r_L&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A145785213%2CauthType%3AENAME_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470695024988%2Ctas%3AFran%20Strajnar)), co-Founder at BravenewCoin, also acknowledges increased liquidity as one of the factors that have determined the current mood of the Bitcoin market. However, he adds that more financial instruments have helped stabilize the price and also that there is a growing number of ways to hedge Bitcoin now.

Chris Pacia (<https://twitter.com/chrispacia>), Lead Backend Developer at OpenBazaar, says:

*"I think that it's a combination of a couple things. Bitcoin has been growing more liquid as new markets for buying and selling Bitcoin come online. Typically increased liquidity makes assets less volatile, all other things being equal. Also, I think the technology has been proving itself to be remarkably stable which eliminates some of the perceived risks."*

### A natural curve

Kumar Gaurav (<https://www.linkedin.com/in/kumargauravitz?authType=name&authToken=OaMz&trk=wonton-desktop>), co-Founder and CEO of Cashaa, sees the initial behaviour of the Bitcoin market prior to recent times as a natural phenomenon.

Gaurav says that it is common with any new product or service in the market when it has limited users, hence it becomes very easy to see the effect of market because it's just driven by the demand which is relatively very small. He says that the same goes for Bitcoin before this year as it was the only major cryptocurrency and investors/ traders who were moved by any big or small events. While this year various launches and positive news about Blockchain has helped a lot in stabilizing the value of Bitcoin.

Here are the main reasons for this relative stability identified by Gaurav.

## 1. Awareness and tech education

Gaurav says that more and more people are aware of the crypto currency and when it comes to choosing, as humans we believe in "old is gold". He also says that users are now able to understand the difference between Bitcoin, exchange, Blockchain and other technical differences. And now know that hacking of an exchange or bug in any system is not particularly related to Bitcoin.

## 2. Positive news related to Blockchain

Gaurav points out that this year marks the arrival of several big companies from IBM, Microsoft, Bank of America and government organizations across the globe where every entity started showing active interest and contribution to the Blockchain. However, most of them are just because of peer pressure and creating a lot of hype. But this has helped to build a positive environment around acceptance of cryptocurrency, and Bitcoin came out as the superhero due to all this.

## 3. Increased institutional and small investment

Gaurav continues by saying that the above two are the main two factors which helped in investment in Bitcoin and as such, due to higher demand lead to an increase in price. Now this big pool of a market is working as a shock absorber for Bitcoin.

## 4. Blockchain and Bitcoin Startups

He concludes by saying that startups like Abra, Bitpesa and Cashaa are using the potential of Bitcoin to deliver services which are then being used by the average consumer and improving liquidity of the market. Also, startup ideas which are solving real world problems by using Bitcoin or Blockchain are one of the major stability reasons, and investors are embracing these efforts and fueling this process by investment, thus building a complete ecosystem around Bitcoin.

Bitcoin (/tags/bitcoin)

Comments

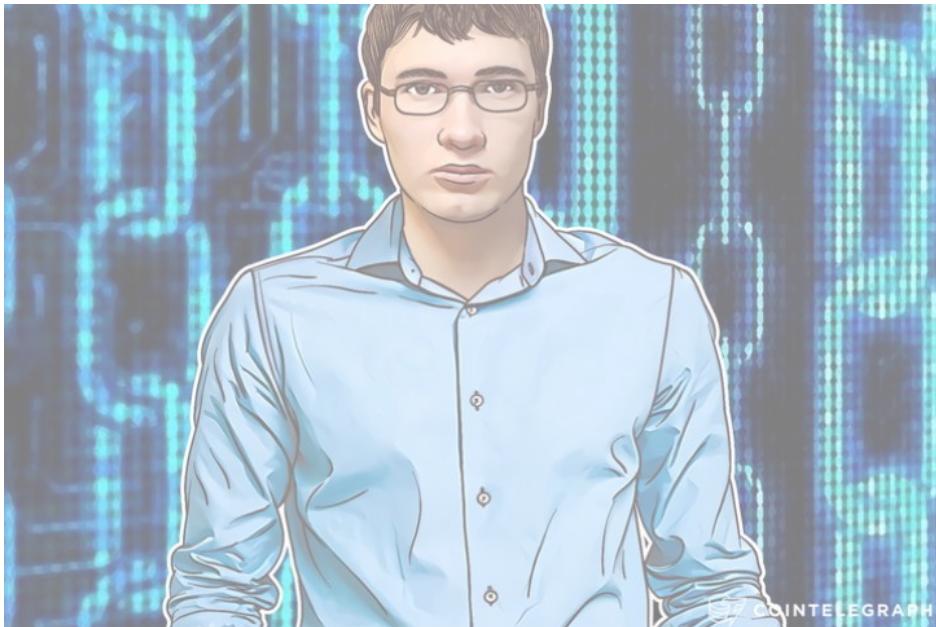
Author Iyke Aru

2016-08-09 12:06 PM

# The Chicken and Egg: Blockchain Existed Before Bitcoin

1648 Total views

249 Total shares



The Blockchain is a disruptive technology which is proving to be an inevitable aspect of human development. Yet in the stage of adoption across various sectors of development, Blockchain technology within the last decade has grown in popularity and displayed great potential in so many aspects.

Cointelegraph spoke to Asse Sauga (<https://www.linkedin.com/in/asse-sauga-66869848>) on the history, development and potentials of the Blockchain, especially as it disrupts existing industrial processes. Sauga was the first Blockchain professional in the banking sector with LHV Bank (<https://www.lhv.ee/>) in Estonia, he is presently the CTO at ProofofYou (<http://www.proofofyou.com/>).

## The beginning of the Blockchain

According to Sauga, different Blockchain projects had been developed around the world since the nineties but as a centralized transactions system. Bitcoin, as a first major application of a trustful decentralised Blockchain happened at the beginning of 2009. Initially, nobody believed that the Bitcoin would succeed as described in a White Paper.

Sauga says that in 2013, knowledge about Bitcoin began to spread more significantly. People started to get more interested in the cryptocurrency and the underlying technology, the Blockchain. 2014 was the Blockchain startup

year. He continues by saying that during 2015 regulators and big corporations started to get interested in the Blockchain technology and over 1 billion USD was invested into Blockchain startups by the end of 2015.

Today almost every major corporation and bank has a team who is researching the possibilities of Blockchain applications.

### An unfinished but inevitable product

Sauga predicts mass usage of the Blockchain in the future, but not with basic improvements of the technology.

He says:

*"The Blockchain as a technology will get more and more ready for mass usage. As it is mostly open source, developers around the world contribute into the technology and usability of the applications. Security, scalability and usability of the applications are main features which need to be improved, at which point it will definitely disrupt old business models. The Blockchain allows one to design businesses and services without "central point of failure" or minimise that role and create totally new business models. Additionally, it will make businesses and services much more transparent, secure and trustful. And many more services can be automated of-course."*

Sauga concludes by saying that the Blockchain is currently in its experimental phase. However, it is very functional already, but there is still a lot of improvement to be made, starting from scalability issues and ending with a energy waste.

"There are different solutions on the discussion but they need to be properly tested", he notes.

◆ [Blockchain \(/tags/blockchain\)](#) ◆ [Bitcoin \(/tags/bitcoin\)](#)

◆ [Asse Sauga \(/tags/asse-sauga\)](#)

Comments

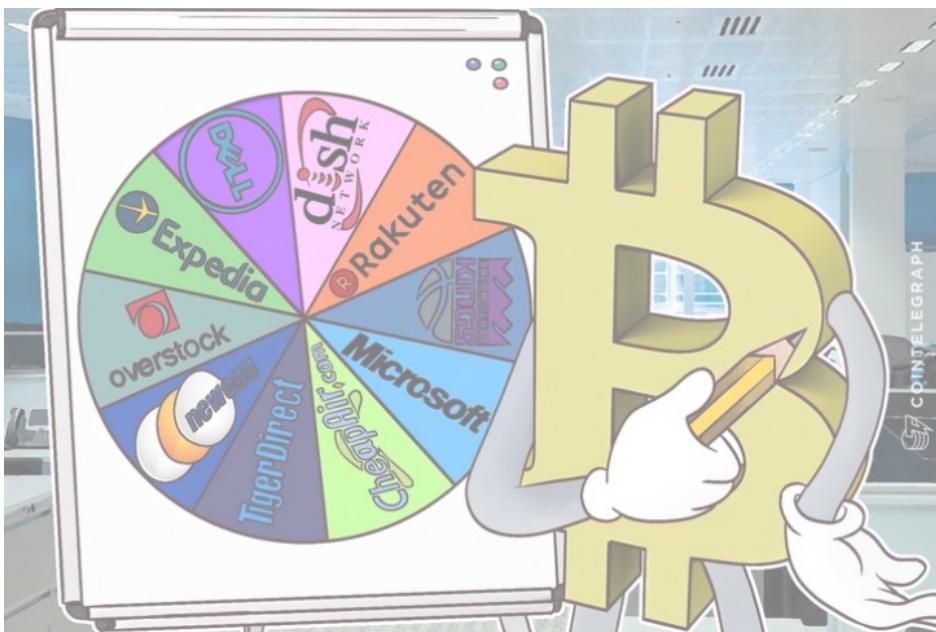
Author Guest Author

2016-08-08 03:25 PM

## From Dell to Rakuten: 10 Most Popular Vendors That Accept Bitcoin

4084 Total views

672 Total shares



Bitcoin remains the most widely used cryptocurrency, so for many online vendors it's a good alternative to the U.S. dollar. Microsoft, CheapAir and other big retail names have already jumped on the Bitcoin bandwagon, with many more to follow.

To be fair, most Bitcoin-accepting vendors don't accept Bitcoin directly. They work through commissioned intermediaries, such as Paymium and Coinbase, to immediately convert Bitcoin receipts to fiat currency (usually U.S. dollars). They're not in the business of holding Bitcoin long-term, and most appear to be leery of Bitcoin's historical volatility (<http://www.moneycrashers.com/bitcoin-history-how-it-works-pros-cons/>). Still, they recognize that growing numbers of consumers see Bitcoin and other cryptocurrencies as viable alternatives to fiat currency, and they're willing to pay intermediary commissions to accommodate them.

With that in mind, here's a look at our top 10 vendors, based on size, user-friendliness, and lowest cost (if any) to the customer, who accept Bitcoin payments.

## 1. Microsoft

When Microsoft announced that it would start accepting Bitcoin, the currency's proponents rejoiced. Here was one of the world's biggest tech companies - one of its biggest companies, period - embracing the future of digital commerce. Aside from a brief scare in early 2016, when Microsoft erroneously announced that it would no longer accept Bitcoin and was later forced to apologize (per TechCrunch (<https://techcrunch.com/2016/03/14/microsoft-quietly-drops-bitcoin-support-from-the-windows-store/>)), it has been smooth sailing ever since.

You can add Bitcoin directly to your Microsoft Online account. From there, you're permitted to purchase pretty much any digital products and content offered by Microsoft, including Windows apps and games, Xbox games and

music, and Windows Phone products. Microsoft doesn't yet allow Bitcoin for in-person or physical product purchases (such as new hardware and hard copies of Microsoft software), though that may change in the future.

## 2. Dell

Former (and maybe current) arch rivals Dell and Microsoft don't see eye-to-eye on much, but they've both enthusiastically embraced Bitcoin. You can use Bitcoin to purchase almost anything at Dell.com, including physical products. If you have a Coinbase account, you can send payments directly to Dell from there and avoid the miner's fee (well under 1% of the transaction). Otherwise, you can pay with your Bitcoin wallet or scan the product's QR code with your smartphone and follow the prompts.

## 3. Expedia

Expedia accepts Bitcoin payments through Coinbase. Paying for travel with Bitcoin is just as easy as using a credit or debit card, though non-Coinbase users do have to accept the small miner's fee. (You can avoid this by creating a Coinbase account, which is a very handy thing to have anyway.) Coinbase users can also take advantage of Expedia's cancellation and refund policies.

For non-Coinbase users, all transactions are final. Notably, refunds are issued in U.S. dollars at the Bitcoin-dollar conversion rates in play at the time, so it's possible to make or lose money (in dollar terms) on refunds.

## 4. Overstock.com

Overstock deserves special mention - and kudos - for its early embrace of Bitcoin. Back in 2014, the online retail giant became the first major e-commerce vendor to jump on the Bitcoin bandwagon.

The company's CEO is an outspoken advocate of Bitcoin (and of reducing the influence of central governments and monetary authorities in general). In fact, under his direction, Overstock has put its money where its mouth is - the company is one of the few major vendors that holds a substantial amount of its Bitcoin receipts in Bitcoin, rather than converting to fiat currency. That's an implicit, and encouraging, bet on Bitcoin's long-term future.

## 5. Newegg

Newegg, an online retailer who specialize in personal electronics and computing equipment, is another big Bitcoin believer. Though its 10% discount offered to users who pay in Bitcoin has expired, Newegg continues to promote Bitcoin as a payment method.

If your digital wallet is stored on your desktop, laptop, or mobile device, you can simply click the "Pay with Bitcoin" button and complete your purchase in a few clicks. Alternatively, you can scan the QR card with your smartphone or click the "View Address" button to access cloud-based digital wallets. Note that you can't buy gift cards, marketplace items, subscriptions, pre-orders, memberships, and certain other products with Bitcoin - though you can receive full refunds (subject to Newegg's return policy) in store credit.

## 6. DISH Network

DISH Network has been accepting Bitcoin payments for its satellite TV and content services since mid-2014. The company appears to genuinely support Bitcoin's mission - it ran a heartwarming feature on the first DISH customers to pay their bill with Bitcoin, and hosts a nice novice-friendly tip sheet (<http://about.dish.com/blog/bitcoin/how-pay-your-dish-bill-bitcoin-plus-5-tips-getting-started>) for first-time users. Like many vendors, DISH uses Coinbase to accept payments - so, if you're a DISH customer, it's worth creating a Coinbase account if you haven't already.

## 7. Rakuten

Online retail giant Rakuten is an enthusiastic Bitcoin booster. Back in 2015, it ran an eye-popping discount for Bitcoin users: 30% off anything on the site.

Unfortunately, that deal appears to be gone for the time being. But Rakuten made waves this July when it announced its intent to purchase BitNet, its preferred Bitcoin payment processor. (We wrote about the news here (<https://cointelegraph.com/news/rakuten-sizes-up-bitnet-to-build-blockchain-based-loyalty-program>).) The deal is still under negotiation, and its precise implications remain unclear; however, it's rumored that Rakuten could use BitNet's assets to launch an innovative Blockchain-based loyalty program - a first in the online retail world.

In other words, even if Rakuten doesn't revive that awesome 30% discount for Bitcoin users, its loyal Bitcoin customers may nevertheless have something to smile about soon.

## 8. TigerDirect

TigerDirect is another online electronics retailer who appear to have gone all-in on Bitcoin - and that bet appears to have paid off many times over. Through the first 18 months of Bitcoin acceptance, nearly half of all Bitcoin-using TigerDirect customers were first-timers, according to Bitcoin Magazine (<https://bitcoinmagazine.com/articles/18-months-adopting-bitcoin-tigerdirect-reports-fantastic-experience-continued-growth-1438985840>).

With an extensive Bitcoin help section (<http://www.tigerdirect.com/bitcoin/help.asp>), TigerDirect is among the friendliest for Bitcoin novices. You have three options to pay with Bitcoin: Click the "Pay with Bitcoin" button and follow the prompts, scan the QR code with your smartphone to pay directly with your mobile wallet, or click "View Address" and copy-paste the URL into your desktop wallet. All Bitcoin payments run through BitPay.

Notably, TigerDirect allows partial Bitcoin payments when you don't have enough Bitcoin to complete a full transaction. You can make up any difference via PayPal, credit or debit card, or any other TigerDirect-accepted method. Though Bitcoin transactions are final, TigerDirect does offer refunds (subject to its return policy) in dollar-denominated gift cards.

## 9. CheapAir

Not a fan of Expedia, or just want to keep your travel booking options open? CheapAir is among the Internet's most Bitcoin-friendly travel booking portals (<https://cointelegraph.com/news/top-8-ways-to-book-a-flight-with-bitcoin>), and the first portal to adopt Bitcoin back in late 2013. As an early adopter, CheapAir

quickly became a favorite of Bitcoin enthusiasts, notching some \$1.5 million in Bitcoin bookings in the first seven months, per a company press release (<https://www.cheapair.com/press/releases/cheapair-com-bitcoin-sales-top-1-5-million/>). Today, it actually goes a couple of steps further by accepting Litecoin and Dogecoin as well.

CheapAir's Bitcoin payment process is seamless and straightforward - literally two clicks and you're done. Payments are funneled through Coinbase. Fees are far lower than those associated with PayPal, which CheapAir also accepts.

## 10. Sacramento Kings

The Sacramento Kings play in one of the United States' smallest professional sports markets, and they consistently dwell at the bottom of the NBA standings. (There's always next year!) But, back in 2014, they did notch a notable first when they became the first major U.S. sports club to accept Bitcoin.

According to ESPN ([http://espn.go.com/nba/story/\\_/id/10303116/sacramento-kings-become-first-pro-sports-team-accept-bitcoin](http://espn.go.com/nba/story/_/id/10303116/sacramento-kings-become-first-pro-sports-team-accept-bitcoin)), the Kings' embrace of Bitcoin was at least partially driven by necessity. "When I sold the NBA on keeping the team in Sacramento, my pitch included using the sports franchise as a social network to push the technology envelope," said Kings majority owner Vivek Ranadive. "[Accepting Bitcoin] is an example of that."

Ranadive's ultimate goal is a "ticketless, cashless environment" at games - a major convenience for fans who don't want to bring their wallets to games. His example appears to be catching on with other sports franchises too. A few months after the Kings' announcement, Major League Soccer's San Jose Earthquakes announced they'd accept Bitcoin.

## Final Thoughts

It's fair to say that Bitcoin has not lived up to the rosy predictions of its most dedicated boosters. Any impartial observer would agree that Bitcoin has suffered some temporary setbacks on the winding path it has taken to get where it is today. No doubt further setbacks lie ahead.

But Bitcoin's emergence and rise have nonetheless been impressive. Even if the early years haven't been as smooth as proponents would like, Bitcoin's continued existence - and, as indicated by the growing number of major vendors that accept it, momentum - is evidence of real hunger for an alternative to government-controlled fiat currencies whose values turn on bureaucratic whims. That's why it's not at all controversial to predict that, in the months and years to come, more online vendors will step up and begin accepting Bitcoin. Stay tuned for our next "top 10 Bitcoin vendors" list.

*The article is brought to you by MoneyCrashers (<http://www.moneycrashers.com/>), a website educating individuals on how to better manage their money and build wealth. Learn more about topics like budgeting, investing, smart shopping, credit cards, and debt on [moneycrashers.com](http://www.moneycrashers.com/) (<http://www.moneycrashers.com/>).*

- by Brad Pannell

➔ Bitcoin Accepted (/tags/bitcoin-accepted)

◆ Microsoft (/tags/microsoft)

◆ Dell (/tags/dell)

◆ Overstock (/tags/overstock)

◆ Newegg (/tags/newegg)

◆ DISH Network (/tags/dish-network)

◆ Rakuten (/tags/rakuten)

◆ Cheapair (/tags/cheapair)

## Comments

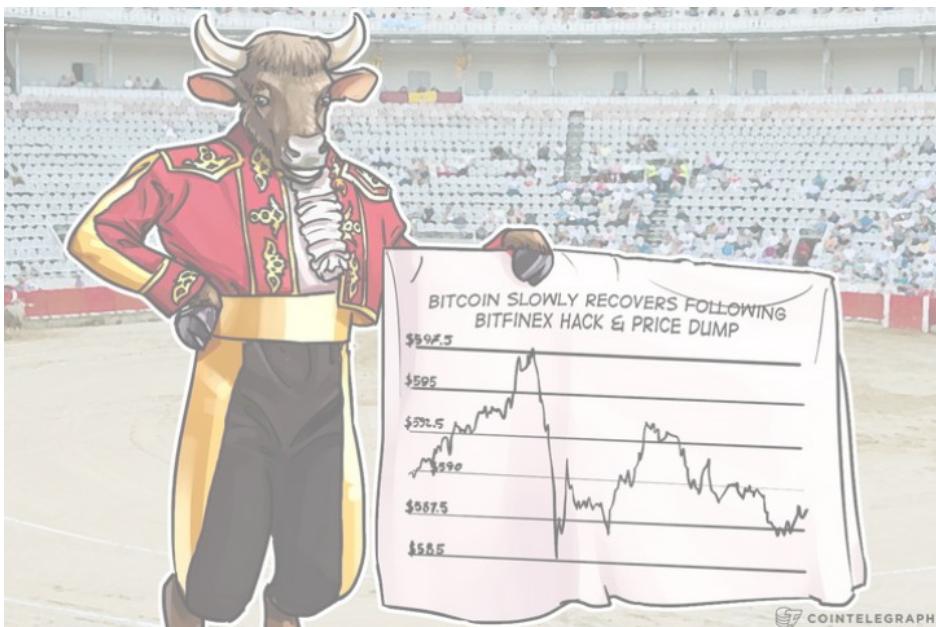
Author Adam Wyatt

2016-08-08 09:05 AM

# Bitcoin Slowly Recovers Following Bitfinex Hack and Price Dump

1519 Total views

172 Total shares



*Analytics provided by BBA (<https://www.bullbearanalytics.com/>)*

The cryptocurrency news cycle was dominated last week by the announcement that Bitfinex was the victim of a theft to the tune of 119,756 BTC. The market continues to struggle with the implications of this event.

Drama returned to Bitcoinland last week as Bitfinex was taken for ~120K coins and subsequently the price dropped over \$100 on all exchanges.

**The outcomes of Bitfinex hack**

While it initially looked as if they would be able to resume operations within a few days, it now appears as though they might be down for quite some time. Despite the near term hit to price and the logistical effects of such a shutdown, the longer term damage is to market confidence as has been the case in every instance of exchange hacking. That said, the liquidity pool for Bitcoin is now much larger than it was during the Mt. Gox debacle and many more options exist for traders and investors now. Nevertheless, it will take some time to regain the trust of those who have now been burned by yet another major crypto marketplace.

Moving on to the technicals, we first want to take a look at a 15-minute chart of the price action before and after the hack announcement (via Cryptowat.ch). It has been noted by other analysts that there was bearish price action before the official announcement from Bitfinex, although it looks fairly normal in terms of what we have historically seen in these circumstances. A classic spike down followed by a bullish volume breakout confirmed the low at \$465, as did an OBV washout and a MACD divergence. Now we are on the slow and steady climb out of the hole, and until now things have been moving along nicely.



## Other interesting features to note

Next up is the ever-important daily chart which has some very interesting features right now. For instance, notice that the spike low came all the way down to tag the lower support range before bounce back above there and the medium term uptrend line. Additionally, the candle bodies at the lows failed to close below the 78.6% Fibonacci retracement level, as well as the bottom of the new pivot zone.

On the other hand, the price is now back at moving average resistance, and is hitting a hole in volume profile so it will be tough to push through this \$600 region without a recharge. On that note, momentum and volume are hitting resistance too in the form of the centerlines, while the A/D line presses higher and trading volumes recede again.

## Still, the market looks good

All things considered, at least from a technical perspective, the market looks pretty good despite a major exchange being offline. We do not expect new lows in the near future, barring any additional exogenous negative events, although we do think a retest of lower levels is a good possibility in the not too distant future.

Ultimately the longer term bull market remains intact, however, the current consolidation may take even longer to resolve than previously expected now that market sentiment been shaken.

Let's hope Bitfinex handles this ordeal professionally, and the exchange space learns another lesson in operational security.



## BullBear Analytics

BullBear Analytics is the longest standing cryptocurrency forecasters in the market. They started in 2010, doing technical reports in bitcointalk.org, and have evolved into a buzzing community of traders. Adam is BBA's chief analyst.

**Disclaimer:** Please always do your own due diligence, and consult your financial advisor. Author owns and trades bitcoins and other financial markets mentioned in this communication. We never provide actual trading recommendations. Trading remains at your own risk. Never invest unless you can afford to lose your entire investment. Please read our full terms of service and disclaimer at the BullBear Analytics Disclaimers & Policies page. (<https://www.bullbearanalytics.com/legal>)

Bitcoin (/tags/bitcoin)

Bitcoin Price (/tags/bitcoin-price)

## Comments

Author Joël Valenzuela

2016-08-07 04:22 PM

## Risky Business: Tor Project Reorganizes After Sexual Misconduct Scandal

1460 Total views

97 Total shares



The Tor Project has completely restructured  
(<https://techcrunch.com/2016/07/27/tor-project-sexual-assault-policies/>)  
following a sexual abuse scandal that caused one of its top developers to  
resign.

The incident revolved around Jacob Appelbaum, a developer for Tor who was  
also involved with WikiLeaks and Edward Snowden. Appelbaum was accused of  
aggressive behavior towards several employees, including of a sexual nature.

While Appelbaum remained mostly silent and eventually denied all allegations,  
he resigned from the Tor Project in May.

In addition to implementing a structure for reporting and dealing with future  
incidents of sexual abuse, the Tor Project has undergone a complete  
restructuring. The entire board of directors for the project has been replaced.

### **Allegations against Jacob Appelbaum of harassment and intimidation**

The Tor Project launched an investigation  
([http://www.nytimes.com/2016/07/28/technology/tor-project-jacob-appelbaum.html?\\_r=0](http://www.nytimes.com/2016/07/28/technology/tor-project-jacob-appelbaum.html?_r=0)) into allegations of abusive behavior by Appelbaum after  
several anonymous victims came forward. Then, the accusations became more  
public as former colleagues detailed abusive and bullying behavior  
(<https://medium.com/@nickf4rr/hi-im-nick-farr-nickf4rr-35c32f13da4d#.qx8admx2>) perpetrated by Appelbaum.

Two accusers, Alison Macrina and Isis Agora Lovecruft, came forward as  
revealing themselves to have been some of the anonymous posters.

Not all in the community initially rose on the side of Appelbaum's accusers. In a  
signed statement (<https://ourresponse.org/>), 12 women who knew Appelbaum  
declared their support for him and attested to his personal character, as well as  
raised concerns as to the nature in which the accountability process was  
carried out.

However, in the end, the investigation launched by the Tor Project vindicated the victims, and Appelbaum left the project.

### Working with Tor already a risky business

Even without the specter of workplace misconduct, professional involvement in the Tor campaign is not without its own complications.

Isis Agora Lovecraft, one of the women who came forward in the Appelbaum abuse case, received pressure from the FBI (<https://cointelegraph.com/news/tor-developer-flees-us-to-avoid-fbi>) to testify in an unspecified case, declining to meet with her attorney present.

This prompted Lovecraft to flee the United States to Germany.

◆ [Tor \(/tags/tor\)](#)

Comments

Author Joseph Young

2016-08-06 01:00 PM

## Overstock to Continue Developing Blockchain Products, Change in Leadership

1045 Total views

188 Total shares



Upon his return from medical leave, Overstock CEO Patrick Bryne has appointed (<https://www.finextra.com/pressarticle/65571/overstock-names-president-of-blockchain-unit>) Jonathan Johnson as the head of Medici, the firm's group of fintech and Blockchain businesses, to maintain its long-term growth and investments.

Since the launch of Medici in early 2014, Overstock has been long involved in the fintech and cryptocurrency industries, developing various Blockchain-based products and funding several fintech and Bitcoin companies.

## Development of T0.com

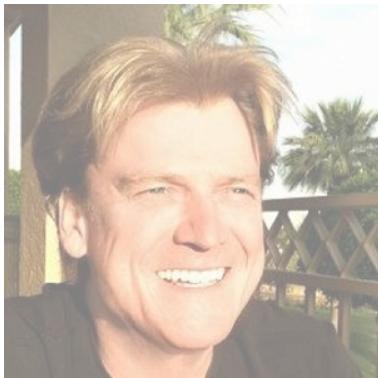
Amongst its many projects, Overstock's Medici has focused on the development of T0.com, a cryptographically protected asset and transaction settlement platform, as a core part of their operation and business. The T0.com platform successfully demonstrated (<https://cointelegraph.com/news/overstock-to-offer-25m-corporate-bond-as-the-worlds-first-crypto-security>) the potential of the Blockchain technology in the financial settlement and clearance market in early 2015, after offering US\$25 million corporate bond as the world's first crypto security.

It continued to prove (<https://cointelegraph.com/news/retail-giant-overstockcom-sets-to-offer-securities-in-blockchain-ledger>) its efficiency in the market since then securing numerous partnerships, including a contract with shareholder intelligence provider Georgson, to publicly offer digital securities on a regulated platform.

With the expertise and pro-freedom instincts of Jonathan Johnson, Bryne believes that Medici will continually pioneer the application of the Blockchain technology to financial systems by maximizing its potential and advantages over centralized financial institutions.

Bryne says:

*"Jonathan shares my pro-freedom instincts, and therefore also shares my excitement about the Blockchain revolution's potential to reduce society's dependence upon certain rent-seeking and capture-prone centralized institutions."*



## Fintech and Blockchain startups

Johnson will also be overseeing Medici and Overstock funded fintech and Blockchain startups, to kickstart the development of innovative Blockchain-based financial applications and platforms. Some of the startups include Bitt.com, PeerNova and IdentityMind, all of which leverage the Blockchain technology to offer services that are not offered by existing companies and centralized institutions.

Bitt for instance, a Caribbean Islands-based Bitcoin startup, has received US\$ 4 million (<https://globenewswire.com/news-release/2016/04/01/825171/0/en/Overstock-com-makes-investment-in-Caribbean-FinTech-firm-Bitt.html>) from Overstock to provide Bitcoin-based remittance services for mainstream users.

Overstock and Jonathan Johnson-led Medici will continue to revolutionize the finance industry and demonstrate the potential of the Blockchain technology in the market.

◆ Overstock (/tags/overstock) ◆ BlockChain (/tags/blockchain)

◆ Patrick Bryne (/tags/patrick-bryne)

Comments

Author Evander Smart

2016-08-05 03:55 PM

## Kim Dotcom Explains How Megaupload 2.0 Will Take Bitcoin To The Moon

13177 Total views

1024 Total shares



COINTELEGRAPH

Bitcoin is coming off a rough week in the community and in the press, but you know what they say: "Thank God it's Friday!"

Count me among the many who are looking for a much better story to stew over besides another Bitcoin theft, and Kim Dotcom (<https://cointelegraph.com/news/what-would-kim-dotcoms-meganet-look-like-op-ed>) comes to the rescue, just in time for the weekend.

This morning, on Twitter, Kim revealed much more about his upcoming Bitcoin-based Megaupload 2.0 release, so let's see what's coming for the New Year.

### The launch date has been set

Today, Kim set a launch date for Megaupload 2.0 (<https://cointelegraph.com/news/kim-dotcom-megaupload-and-bitcoin-had-sex-baby-will-be-such-a-joy>) of January 20, 2017. It will come with many interesting little features like offering a white-label option, so you can tie into their hosting service while adding your own domain name for free.

Capture obscure files that aren't on your server, but that you are linking to and want to add to your Megaupload account. For those who favor increased privacy, or even anonymity, Dotcom tweets that he has you covered.

 **Kim Dotcom**   
@KimDotcom

 Follow

#Megaupload 2.0 takes decentralization, anonymity & encryption to the next level. A nightmare for those who want to mass surveil & censor.

10:44 PM - 4 Aug 2016

4 384 674

That is great for the proletariat, but what is there for the Bitcoin (<https://cointelegraph.com/news/antonopoulos-bitcoin-will-have-hard-fork-eventually>) lover in you? Dotcom says Megaupload additions can be linked to Bitcoin microtransactions. Think YouTube with Bitcoin as the payment modality.

If you upload files that are popular downloads, it sounds like you can earn some 'digital gold.' This should help Bitcoin prices more than triple after the first year, according to Kim Dotcom.

### Bitcache, a potential Bitcoin wallet

Dotcom is coining a term within Megaupload 2.0 called Bitcache, a potential Bitcoin wallet for your Megaupload account.

He believes this Bitcache design is a new solution to Bitcoin's current blockchain limitations. His tweet states that he is targeting 100,000,000 Bitcache wallets for the program.

Kim Dotcom @KimDotcom

Nobody will upload to any other cloud after Megaupload's Bitcache goes live.

100 million Bitcache wallets.

Bitcoin = \$2000+

2017  
8:59 PM - 4 Aug 2016

358 598

### Something to look forward to in 2017

So, to recap, a late January release of an anonymous cloud sharing, anti-surveillance video hosting, Bitcoin-caching online service that will serve the population of the Philippines (approximately 103M.)

Kim Dotcom is not afraid to dream big, and most didn't have him getting this far. The Bitcoin community does have something innovative and positive to look forward to in 2017, so for that he deserves a note of gratitude.

Now, all he has to do is pull it off. Kim seems as confident as ever.



Kim Dotcom

@KimDotcom

Follow

Buy Bitcoin while cheap.

Like right now.

Trust me.

9:06 PM - 4 Aug 2016

635 902

♦ Kim Dotcom (/tags/kim-dotcom)

♦ Megaupload (/tags/megaupload)

♦ Bitcoin (/tags/bitcoin)

♦ Bitcache (/tags/bitcache)

♦ Bitcoin Wallet (/tags/bitcoin-wallet)

#### Comments

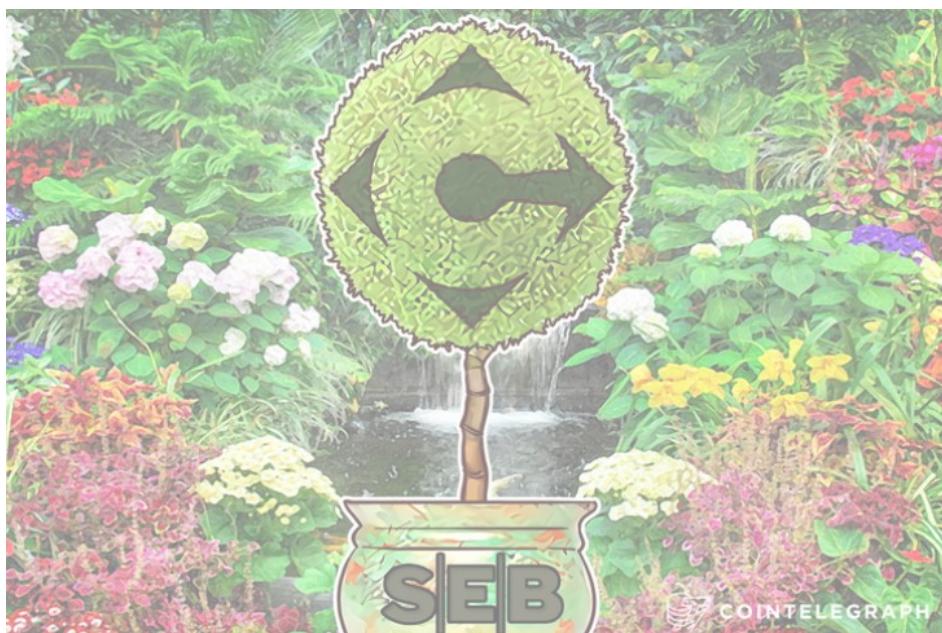
Author Olusegun Ogundesi

2016-08-04 03:10 PM

## Top Swedish Bank Invests in Danish Blockchain Startup Coinify

916 Total views

138 Total shares



Swedish banking giant SEB (<http://sebgroup.com/>) has joined a \$4 million Series A funding round for Danish blockchain payment service provider (bPSP) Coinify (<https://www.coinify.com/>).

SEB is a leading Nordic financial services group with operations in Denmark, Finland, Norway and Germany. It offers financial advice and a wide range of other financial services.

Its venture capital arm was joined in the round by Seed Capital Denmark (<http://www.seedcapital.dk/>), the largest venture capital fund in Denmark for the pre-seed and seed segment with \$320 million under management.

### Perfect fit for bank's portfolio

Head of SEB Venture Capital (<http://sebgroup.com/large-corporates-and-institutions/our-services/seb-venture-capital>), David Sonnek, says they really look forward to contributing to Coinify's future development. He believes that it is a unique platform for blockchain payments that fits perfectly in the bank's portfolio of FinTech investments.

According to the Co-Founder and CEO of Coinify, Mark Højgaard (<https://dk.linkedin.com/in/markhojgaard>), the investment will be used to sustain the bPSP's leading position in Europe and to expand its blockchain payment and trade products into Asia.



### iPayDNA partnership and Asian market

Coinify had earlier partnered with Hong Kong-based payment service provider, iPayDNA (<http://ipaydna.biz/>) International Ltd. to bring advanced blockchain payments to several merchants residing in the Asia Pacific region in March.

The partnership enables iPayDNA's merchants to accept 17 blockchain currencies including Bitcoin from any country in a secure environment and receive payouts in local currency to their bank accounts within a few days.

This probably explains the need for Coinify, which claims to be the largest facilitator of blockchain payments in Europe for more than 20 PSPs and reaching over 100,000 online businesses, to make a further inroad into the Asian market.

Asia-Pacific is home to more than 60% of the world population and accounts for nearly three-quarter of global payment transactions. It also has the highest share of e-commerce in GDP.

Coinify recently secured the backing of local payments company Nets (<https://www.nets.eu/>), with the pair building a development lab that will work on developing distributed ledger-based products and services.

➔ Banks (/tags/banks)

➔ Sweden (/tags/sweden)

➔ Investments (/tags/investments)

➔ BlockChain (/tags/blockchain) ➔ Startups (/tags/startups)

➔ Coinify (/tags/coinify)

Comments

Author Joël Valenzuela

2016-08-04 01:45 PM

## Digital Word of Mouth: How Blockchain Reputation System Would Work

1261 Total views

250 Total shares



In a world dominated by government regulations, every aspect of life has an agency assigned to watch over its continuing success. Theft, fraud, and bankruptcy are all dealt with through the appropriate criminal and civil courts.

Food and workplace safety have their respective permits and bureaucratic agencies watching over them, and the violent, substance abusers, and the criminally negligent have a court system to contend with.

However, such antiquated structures still leave much to be desired, as they can imprison the innocent, neglect the guilty, and miss important information that is highly pertinent to safety. In short, legal structures, and their regulatory bodies, leave much to be desired in safeguarding a populace from harm.

### **Word of mouth reigns supreme in the non-governmental world**

However, in certain areas, the legal systems provided are either undesirable, or inapplicable, to a degree where the local community finds alternative methods of maintaining the social order and protecting against undesirables.

The method? Word of mouth, tried and true, as old as human communication. Without a system in place to judge an individual's trustworthiness, the community decides this through a distributed network of orally-transmitted bits of information who is safe to do business with and who is not.

"That guy's bad news, don't give him your money" gets passed around, and those with similar experiences verify the reputation, while "Oh no she's solid, she worked with my cousin and did a great job" calms one's uneasiness when forming a new business relationship.

The more corroborations each story gets, especially by trusted community members, the more solidly they remain in place, while gossip by the local town hater is unlikely to be taken seriously.

### **A simple blockchain reputation system**

Building a reputation system facilitated by a public distributed ledger would be possible using a simple, Bitcoin-like solution. The system would allow community members to log "reputation points" on the records of their friends and neighbors. Each such transaction would require other community members to sign on, or "confirm," and would consist simply of a written log of the claim.

That way, anyone seeking to do business with a yet-untested community member would simply view that member's public record (as well as the public record of each person logging reputation entries or confirming them) and make a judgment call as to whether or not that person is trustworthy.

### **A more involved blockchain reputation system**

If such a reputation system arises via blockchain, it will likely be more complicated than the example presented above. While there's no telling what that system will look like, here is a hypothetical example of one possibility.

The community would be issued tokens, able to be expended to leave either positive or negative reviews, as well as backing reviews left by another community member. Tokens would multiply over time at a rate consistent with the member's total score (with a score far enough into the net negatives not generating any new tokens) and only if the member leaves at least 50% positive reviews.

Each review would affect a member's total score, but would be linked to the reviewer's score in two ways: the reviewer with a higher score would carry more impact, and the community support behind that review would affect the reviewer's score.

Therefore, a respected member's review will carry more weight, but even the aforementioned respected one can lose their good score by taking a stand not supported by the community.

The requirement for a net positive in reviews ensures that the community does not devolve into petty negativity and marginalizes perpetual haters. Employing a score system reflects that members who have earned a good reputation will be much more likely to have their opinions respected, while staking that score to community approval of reviews allows members to literally risk their reputation.

This allows the respected to fall from grace when deserved, and the marginalized to rise in respect when presenting valued information to the community. A score low enough to stop generating new tokens represents complete ostracism.

While a form of blockchain-based reputation system can help a community to operate smoothly, it can by no means overcome its inherent human element. A tool is only as effective as its user, and even the best reputation system in the hands of bad people will not ultimately be effective.

Still, for communities that live and die off the distributed network of their members' shared knowledge, a digital enhancement of traditional word-of-mouth can help maintain societal harmony.

◆ [BlockChain \(/tags/blockchain\)](#) ◆ [P2P \(/tags/p2p\)](#)

◆ [Government \(/tags/government\)](#)

Comments

Author lyke Aru

2016-08-04 12:55 PM

## Mere Coincidence? Miners Meet Core Developers, Bitcoin Price Plummets

1698 Total views

153 Total shares



The repetitive phenomenon of the fall in price of Bitcoin, coinciding with the meetings between the miners of the cryptocurrency and its core developers, has attracted concern within the industry. The recent drop in price may have been influenced by certain other factors away from the meeting. However, ruling out the impact from the meeting could mean ignoring a pattern which is seen to have developed over time.

As the analysis of the possible causes of the recent loss in value of the cryptocurrency continues, considering both technical and fundamental factors and projecting the future of Bitcoin, some experts offered their opinions to CoinTelegraph.

Thus, Aleksandar Matanovic ([https://www.linkedin.com/in/aleksandar-matanovi%C4%87-a5583096?authType=NAME\\_SEARCH&authToken=TdPx&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CentityType%3AentityHistoryName%2CclickedEntityId%3Amynetwork\\_342456545%2Cidx%3A2](https://www.linkedin.com/in/aleksandar-matanovi%C4%87-a5583096?authType=NAME_SEARCH&authToken=TdPx&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CentityType%3AentityHistoryName%2CclickedEntityId%3Amynetwork_342456545%2Cidx%3A2)) of EC District ([https://www.linkedin.com/company/5295458?trk=prof-0-oww-curr\\_pos](https://www.linkedin.com/company/5295458?trk=prof-0-oww-curr_pos)) thinks that it could be just a coincidence.

Matanovic says:

*"I guess one explanation could be that it's just a coincidence, the sample is small enough for it to be possible. Another explanation could be that certain holders of Bitcoin expect negative outcomes of those meetings and sell prior to them."*

## Will a downward trend in price continue?

Michael Vogel ([https://www.linkedin.com/in/michaelvogel1?authType=NAME\\_SEARCH&authToken=bt5u&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A17238029%2CauthType%3](https://www.linkedin.com/in/michaelvogel1?authType=NAME_SEARCH&authToken=bt5u&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A17238029%2CauthType%3)

ANAME\_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470250980135%2Ctas%3Amichael%20vo), CEO of Netcoins (<https://www.gonetcoins.com/>), sees the phenomenon as a normal development when there are closed door meetings, and, as such, arebound to create a level of uncertainty until the result of the meeting is out.

Vogel says:

*"Price drops like this can be summed up in one word: Uncertainty. Any type of closed door meeting is guaranteed to raise concerns. This is the same type of effect that we see with publicly traded companies, although Bitcoin is very different from a publicly traded entity. I don't see any evidence that a downward trend in price will continue. The result of meetings with Bitcoin miners and core developers will be further clarity on Bitcoin's development, which will eliminate the uncertainty factor."*



Roger Ver ([https://www.linkedin.com/in/rogerver?authType=NAME\\_SEARCH&authToken=PuqJ&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CentityType%3AentityHistoryName%2CclickedEntityId%3Amynetwork\\_47975672%2Cidx%3A2](https://www.linkedin.com/in/rogerver?authType=NAME_SEARCH&authToken=PuqJ&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CentityType%3AentityHistoryName%2CclickedEntityId%3Amynetwork_47975672%2Cidx%3A2)), Bitcoin Evangelist, thinks that the falling price is simply a sign of the mood of the holders of the cryptocurrency.

He notes:

*"The price falling is a clear sign that holders of Bitcoin are less willing to hold, most likely because they are unhappy about the future prospects for Bitcoin based on the meeting".*

## Brexit retracement

Sussane Tarkowski Templehof (<https://br.linkedin.com/in/susannetarkowski>) of Bitnation (<https://bitnation.co/>) says the recent drop in price of Bitcoin is basically a retracement from its spike during the Brexit (<http://www.bbc.com/news/uk-politics-32810887>) event.

She says:

*"I think the price dropped this time around (apart from because of the obvious hack, of course) because it simply came down from its Brexit spike."*

Bitcoin Price (/tags/bitcoin-price) Mining (/tags/mining)

Aleksandar Matanovic (/tags/aleksandar-matanovic)

Michael Vogel (/tags/michael-vogel)

Roger Ver (/tags/roger-ver)

Susanne Tarkowski Tempelhof (/tags/susanne-tarkowski-tempelhof)

Brexit (/tags/brexit)

#### Comments

Author Angus Leung

2016-08-04 10:55 AM

## DECENT Blockchain Content Distribution Network Announces ICO

1302 Total views

150 Total shares



Swiss blockchain foundation, DECENT has recently announced the date of their long-awaited ICO which will be on September 10, 2016.

Announced in a blog post (<http://decent.ch/decent-software-sale-announcement/>), the DECENT Foundation will be selling DECENT tokens (DCT) which are used for publishing, buying, selling and sharing content on the blockchain-based platform. This ICO will be raising funds for future releases of DECENT, operations and maintenance.

As the crowdsale progresses, the volume of DCT in the sale will slowly decrease, thus raising the value of each DCT. This means that early participants will get DCT at a lower price with bonuses for the first week.

Thus, raising its value as time progresses. Tokens will be deposited into participants' accounts after the launch of DECENT Network..

## DECENT SOFTWARE SALE FLOW

<b>1<sup>st</sup> day:</b>	5,000 DCT / 1 BTC / 55 ETH + 50% bonus
<b>1<sup>st</sup> week:</b>	5,000 DCT / 1 BTC / 55 ETH + 10% bonus
<b>2<sup>nd</sup> week:</b>	4,500 DCT / 1 BTC / 55 ETH
<b>3<sup>rd</sup> week:</b>	4,000 DCT / 1 BTC / 55 ETH
<b>4<sup>th</sup> week:</b>	3,500 DCT / 1 BTC / 55 ETH
<b>5<sup>th</sup> week:</b>	3,400 DCT / 1 BTC / 55 ETH
<b>6<sup>th</sup> week:</b>	3,300 DCT / 1 BTC / 55 ETH
<b>7<sup>th</sup> week:</b>	3,200 DCT / 1 BTC / 55 ETH
<b>8<sup>th</sup> week:</b>	3,000 DCT / 1 BTC / 55 ETH

## DECENT ICO Bounties Campaign

While the Software Sale (<http://sale.decent.ch/>) begins on September 10, the foundation started its ICO Bounties campaign (<http://decent.ch/decent-ico-bounties-update-rules/>) on August 3 to raise interest in the media platform. A total of 1 million DCT has already been reserved for participants who promote DECENT and the campaign will last from August 3 to the last day of the Software Sale.

Campaign rewards will be counted based on "stakes" which are earned primarily by showing support for DECENT. Such as being a follower on DECENT's Twitter page will give you 1 stake and as you become a long-term follower, you can earn more stake in the DCT reserved. Same rule for Facebook and the newsletter.

In order to earn a stake, DECENT has released 3 options: Newsletter, Facebook, Twitter and Bitcointalk Signature. In total, 700,000 DCT will be awarded pre-ICO and the other 300,000 will be rewarded post-ICO.

### What is DECENT?

DECENT is a blockchain-based media network. Founded in 2015 in Switzerland, DECENT allows users to buy, sell and share digital content such as text, music, videos, etc. Without any restrictions, DECENT has the ability to provide secure, cost-effective ways to deliver content.

The platform (<http://cryptorials.io/introducing-decent-decentralized-media-crowdsale-september-10th/>) works by allowing users to upload and share content across the blockchain. On the network, they can set their own price and payments go directly to their blockchain addresses. All without the need for a third party.

The DECENT principles (<http://decent.ch/about/#Mission>) state:

*"Readers can buy content directly from the authors while developers are free to build own apps on top of the protocol and monetize them as they wish. All without paying any hidden fees to middlemen."*

The DECENT project is made up of 3 branches which are essential to the creation and operations of the DECENT Network: DECENT Foundation (development), DECENT Core Ltd (consulting) and DECENT Services (initial operations).

In addition to the ability for users to share digital content, DECENT plans to have a full appstore according to their roadmap ([http://decent.ch/src/DECENT\\_dev\\_plan.pdf](http://decent.ch/src/DECENT_dev_plan.pdf)) for developers to post their DECENT apps. Without middlemen to regulate, monetization will lead to greater profitability.

❖ Decent (</tags/decent>)    ❖ BlockChain (</tags/blockchain>)

❖ ICO (</tags/ico>)    ❖ Switzerland (</tags/switzerland>)

## Comments

Author Olusegun Ogundesi

2016-08-03 03:55 PM

## Antonopoulos: Bitcoin Will Have Hard Fork Eventually

5244 Total views

306 Total shares



Popular Bitcoin entrepreneur has shared his stance on the scaling issue and a looming intentional Bitcoin hard fork according to a published transcript ([https://docs.google.com/document/d/1BEqEhxJjN05HgAZ\\_OYvVUJ6kxDvEDxGbLvea7Xqp-c/edit?ts=57958319](https://docs.google.com/document/d/1BEqEhxJjN05HgAZ_OYvVUJ6kxDvEDxGbLvea7Xqp-c/edit?ts=57958319)) of a Q&A session with the Chinese Bitcoin community on 8btc (<http://8btc.com/thread-36622-1-1.html>) on Saturday July 30.

Andreas Antonopoulos was responding to several questions including one on the negative impacts the controversies regarding the scaling could cast on the long-term value proposition and investor confidence in Bitcoin.

He says:

*"Development of bitcoin is accelerating. The number of new features, improvements and innovations is increasing all the time. Scaling is just one issue and it does not define bitcoin. Scaling will continue to be an issue as long as bitcoin is growing."*

Just like Ethereum?

Antonopoulos says Bitcoin has had two unintentional HF and there is a coming Bitcoin HF which could lead to two coins. Thus, Bitcoin could end up like the Ethereum hard fork experience.

*"Bitcoin will have a hard-fork, eventually, I think," predicts ([https://docs.google.com/document/d/1BEqEhxjjN05HgAZ\\_OYvVUJ6kxDvEDxGebLvea7Xqp-c/edit?ts=57958319](https://docs.google.com/document/d/1BEqEhxjjN05HgAZ_OYvVUJ6kxDvEDxGebLvea7Xqp-c/edit?ts=57958319)) the author of Mastering Bitcoin. "When bitcoin has a HF, there will be 2 chains after the fork and there will be 2 coins. It is almost guaranteed that some people will refuse the new chain and will remain on the old chain. There are enough people with significant amounts of bitcoin who will never agree to a fork and can afford to keep mining the old chain. Ethereum demonstrated this issue very well."*

Antonopoulos continues by underlining that in bitcoin it will be much bigger because the "old" bitcoin may be worth as much as all of ethereum (1 billion USD).

He explains:

*"It will not undermine bitcoin's value very much, but it will cause some chaos with users, wallets and exchanges. This is why a HF needs to be very carefully planned and executed with plenty of advance notice. We also need to learn from Ethereum and consider adding some anti-replay defenses to help users maintain separation of the two chains in their wallets."*

## Is it risky?

The HF has been a thorny issue among bitcoiners since the debate of doing it to increase the block size started over a year ago.

Most Bitcoin Core developers are against it. They cite that it is risky. The Bitcoin Classic say they are hard forking Bitcoin to a 2 MB blocksize limit. Others are indifferent on the effect the controversy would have on the digital currency.

While Antonopoulos is not the final authority on the matter, his view could be significant to the audience of the session. The Chinese market is the largest in Bitcoin transactions. A recent report (<http://www.newsbtc.com/2016/07/01/chinese-miners-allegedly-planning-hard-fork-bitcoin/>) claims that some Chinese miners are planning to hard fork Bitcoin.

Antonopoulos has earlier highlighted the example the Ethereum HF had set for the Bitcoin community. He says it demonstrates that it would be more difficult to roll-back the balance of a set of addresses. This is because Ethereum does not use UTXO based accounting.

It also shows that forks can introduce unexpected denial-of-service vectors and cause disruption to exchanges and the economy.

"They create very high risks especially for exchanges. Even for a coin with less value, this was very risky and it was done too fast," he said.

### Scaling will always be an issue

Antonopoulos agrees that the Core roadmap includes scaling the main chain and providing opportunities for development of layer-2 protocols. However, he also says the Core could only be considered in control as long as they provide and maintain the software that the market needs.

He thinks that the reason they have not been replaced is because the value of software maintenance and careful development is greater than the risk of "full blocks" at the moment. He does not support unlimited block size.

Antonopoulos explains:

*"I don't know the details of the HK (Hong Kong) consensus, but I think Core is proceeding with the roadmap, more or less on schedule. If they had failed to deliver, the market would switch to another implementation. That has clearly not happened, so for now the market is clearly in support of Core. I think it is important to implement Segwit first. I have studied the implementation of Segwit and it is a very important, well developed and well tested change to bitcoin."*

Bitcoin ([/tags/bitcoin](#))

Andreas Antonopoulos ([/tags/andreas-antonopoulos](#))

Hard Fork ([/tags/hard-fork](#))

Comments

Author Olusegun Ogundehi

2016-08-03 02:01 PM

## Thomson Reuters Joins R3 Blockchain Consortium

624 Total views

95 Total shares



Thomson Reuters (<http://thomsonreuters.com/>) has been added to the bank-backed R3 blockchain consortium (<http://r3cev.com/>) which has been working to design and deliver advanced distributed ledger technologies DLTs to the global financial markets.

Thomson Reuters is the first major data and technology provider to join the group of more than 55 banks and other financial institutions.

The data company runs currency trading platforms FXall (<http://www.fxall.com/>) and Thomson Reuters Matching (<http://financial.thomsonreuters.com/en/products/trading-capabilities/foreign-exchange-markets/trade-matching.html>). The total average daily volume of foreign exchange trading across the two platforms totaled \$394 billion in June.

### Exploring the Blockchain in Trade Finance

Thomson Reuters has been working on blockchain initiatives for more than a year with labs in both London and New York.

On a larger scale, it is known for developing and delivering intelligent information and solutions for professionals to connect and empower global markets.

Managing director, strategic customers & solutions, at Thomson Reuters in New York, Mark Rodrigues, told Reuters News (<http://www.reuters.com/article/us-tech-blockchain-thomson-reuters-idUSKCN10D1U2>) that they are particularly interested in exploring blockchain in its trade finance business, which lacks data standards, as well as in foreign exchange clearing and settlement.

He says:

*"Our goal with R3 is to collaborate together with the consortium and our customers in these key industry discussions as we shape the future of financial transactions."*

Thomson Reuters is the parent company of Reuters News.

### Potential to change financial services

Rodrigues said that 50 financial institutions that are existing members of R3 are all Thomson Reuters' clients.

R3 operates on the notion that the DLT has the potential to change financial services as profoundly as the Internet changed media and entertainment.

It will collaborate with partner institutions on research, experimentation, design and engineering.

R3 CEO David Rutter described the addition of Thomson Reuters as a major milestone for the initiative as its insight and expertise in this field will be an invaluable asset in the consortium's collaborative lab environment.

➔ [Reuters \(/tags/reuters\)](#)

➔ [R3 \(/tags/r3\)](#)

➔ [Blockchain \(/tags/blockchain\)](#)

➔ [FinTech \(/tags/fintech\)](#)

➔ [Financial Services \(/tags/financial-services\)](#)

Comments

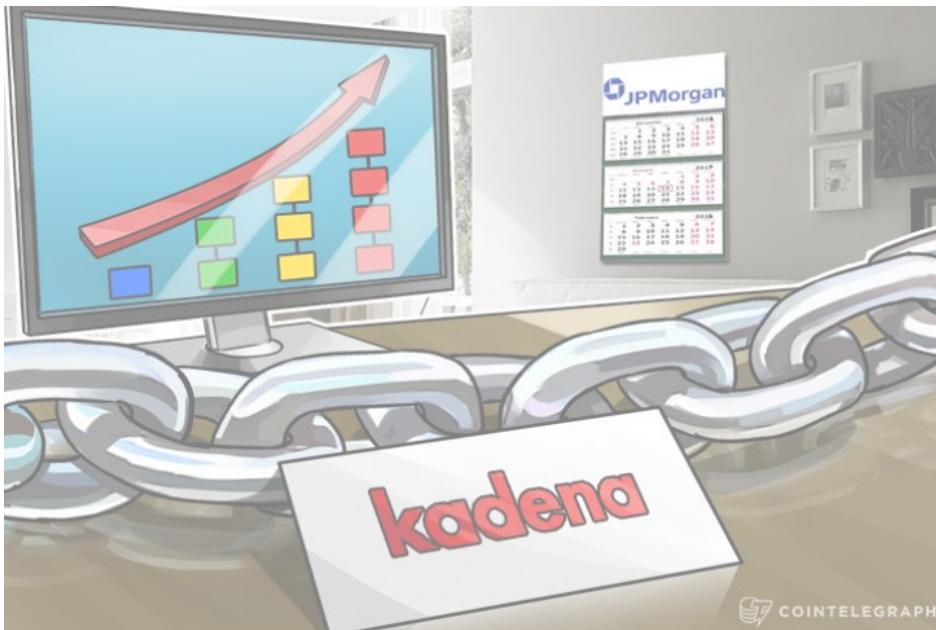
Author Shivdeep Dhaliwal

2016-08-03 01:04 PM

## JP Morgan's Juno Developers Launch Private Blockchain Solution

1191 Total views

151 Total shares



JP Morgan's two key developers who were working on the bank's private blockchain project Juno have started their own blockchain project.

Will Martino and Stuart Popejoy have branched off to start Kadena.io (<http://kadena.io>) as of June 2016. Will Martino was a lead engineer on the Haskell Desk at JP Morgan's Emerging Technologies Group while Stuart Popejoy built the advanced technology team for JP Morgan's Emerging Technologies Group which focussed on solutions for banking.

Kadena the blockchain is powered by ScalableBFT, the first consensus-BFT capable of scaling into thousands of nodes. The move by Will and Stuart made quite a stir in the blockchain world.

### Open Source and big corporations

Cointelegraph asks Will Martino about what he thinks about large corporations using open source technologies if key developers leave and set out on their own projects.

Martino says:

*"The decision to open source Juno was a well-executed strategic decision by JPM for the specific purpose of presenting it to the HyperLedger Foundation as a candidate for their technology stack. The decision resulted in JPM garnering significant thought-leadership in the private blockchain space. JPM's Emerging Technology group has other open-source efforts as well, which it sees as a competitive recruiting advantage to garner attention and hire, retain, and motivate top-notch developers."*

New darling of the financial world

Private blockchains are attracting the attention of many banks and financial institutions. However how soon these new technologies will become part of our everyday life is an interesting question.

Will Martino thinks that these technologies will be witnessed by consumers as soon as financial technology moves through the adoption curve.

He thinks features like straight-through-processing wire transfers would be an example of such a tech making an impact on daily lives of people.

However at the same time the biggest beneficiaries would be larger institutions as infrastructure costs for them would decline significantly and they would be able to offer their client's access to new technology.

### Kadena addresses key blockchain problems

Will says that Kadena is the first blockchain to address the 'pressing issues' of blockchains in a private setting. He says that Kadena does not compromise the core guarantees that a blockchain should provide.

According to him, private blockchains have fundamental problems with inadequate miners' incentives. Unacceptable performance is also an important issue.

Will thinks that performance issues are unavoidable but the incentive breakdown can be interesting.

He says:

*"In a private blockchain, all miners are also participants. Is there an incentive large enough to negate the potential business advantage of mining a fork? Legal repercussions could become the new, negative incentive, but if we need a court's involvement to get mining in private contexts to function can we really still say that mining in this context works? Centralization, e.g. registering transactions in a central 3rd party before mining them, is another potential solution, however that it isn't distributed and begs the question "why are we bothering with mining if we're centralizing anyway?"*

While Classic BFT consensus approaches can and are being used to construct private blockchain solutions they tend to discard too much of the mining security model.

He thinks that one potential solution is to abandon public-key signature verification for TLS-connection based authentication but this would only offer ephemeral security in his view as the 'proofs' of authentication are lost when the connection is closed. In his opinion, private blockchains need durable security and every transaction's authorship should be verifiable and auditable through cryptographic means.

Kadena, according to him, is the first credible alternative because it achieves high performance at scale while still providing durable security in the Bitcoin model.

### Kadena's difference from Juno

The why and how of how Kadena and Juno differ is an interesting question and one that we posed to Will. He told us that Kadena was founded on the belief that Tangaroa (Juno started as a fork of this project) foreshadowed a potential breakthrough in blockchain technology.

He told Cointograph that their work on Juno helped inform this belief but ultimately it lacks a full smart-contract solution and has fundamental issues preventing it from scaling.

Talking about Kadena Will says:

*"Our new blockchain, also called Kadena, is powered by ScalableBFT, the first consensus-BFT capable of scaling into the thousands of nodes. Until now, BFT consensus protocols like PBFT and SmartBFT have faced fundamental problems that prevent them from scaling. ScalableBFT, a "Raft+BFT"-family protocol descending from Tangaroa (Copeland/Zhang), features fundamental innovations that allow for flat scaling. We're excited to announce that with ScalableBFT, Kadena has achieved an industry first: the Kadena blockchain can process upwards of 7,000 transactions per second with latencies well below 100ms, supporting hundreds or even thousands of consensus nodes. This achievement is even more notable in that it sacrifices none of the cryptographic robustness expected from a blockchain, proving full durable security. Our consensus whitepaper (<http://kadena.io/docs/Kadena-ConsensusWhitePaper-Aug2016.pdf>) has more details."*

## Smart Contract Language

Apart from this there are other differences as well. Kadena features Pact, which is a new declarative Turing-incomplete smart-contract language, whereas Juno was based on Hopper, which according to Will, never reached maturity.

Talking about the need for a smart-contract language for private blockchains that would be suitable for enterprise level transaction processing, Will talks about Bitcoin, Ether and Dao:

*"Bitcoin contracts are far too limited to support diverse smart-contract use-cases, leading to tokenization-based solutions.*

*Until now, Ethereum's Solidity has been "the only game in town," but is a terrible choice for transaction processing: it lacks major safety features such as database-style transaction commit and rollback; it allows risky, Turing-complete general-purpose computation within the blockchain, resulting in unsafe solutions as amply illustrated by the \$50m DAO hack; it is an error-prone and unverifiable development environment, with primitive tooling and opaque, illegible bytecode, with no way to verify what Solidity code is running on the blockchain."*

## Infrastructure engine

The Kadena project and the Pact contract language is seen by both Will Martino and Stuart Popejoy as 'infrastructure engines' that power blockchain technologies up the private-use adoption curve.

They think that private blockchains solve a raft of issues for transaction processing that normally requires a lot of operational and engineering expertise.

Talking about blockchains in the future Will Martino says:

*"Remarkably, blockchain solves all of these problems in a single stroke, letting IT focus efforts on solving business problems by coding transactional logic into smart-contracts. Indeed, the much-lauded benefit of supporting utility-like inter-organization use-cases like payment clearing is almost an "added bonus", albeit an obviously attractive and game-changing one in its own right. Also, a smart-contract language like Pact encourages the development of lucid, user-verifiable business logic, similar to the trust embodied in a Bitcoin system based on the use of a Pay-To-PubkeyHash or a multisig contract. In the inter-organizational case, we can even see wide standardization of logic which could provide for terrific business acceleration."*

➔ [JPMorgan \(/tags/jpmorgan\)](#)

➔ [Blockchain \(/tags/blockchain\)](#)

➔ [Startups \(/tags/startups\)](#)

➔ [Open Source \(/tags/open-source\)](#)

Comments

Author lyke Aru

2016-08-03 09:58 AM

## Exchanges To Launch On Ethereum, Lisk And Others

2337 Total views

230 Total shares



According to experts, smart contracts on the Blockchain will eventually create Blockchain-based exchanges if the issues of trust, security and liquidity can be overcome.

One major aspect of the Blockchain that emphasises its disruptive nature is decentralisation. Transactions on the Blockchain are usually based on automatic execution once the underlying conditions are met. This can be explained by the creation of smart contracts, which eliminates the element of human interference once the process is started.

Within the Bitcoin world and the Cryptocurrency ecosystem in general, transactions between crypto users and exchanges is still characterised by human interference, thereby creating room for the need for trust or panic as the case may be.

Cointelegraph asked experts how possible it would be to have exchanges launched on Blockchain platforms, having transactions probably run by smart contracts.

### Security is a major issue

Thomas McAlister ([https://www.linkedin.com/in/tommymac101?authType=NAME\\_SEARCH&authToken=0YJE&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A62571053%2CauthType%3A NAME\\_SEARCH%2Cidx%3A1-5-5%2CtarId%3A1470089324472%2Ctas%3Athomas%20](https://www.linkedin.com/in/tommymac101?authType=NAME_SEARCH&authToken=0YJE&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A62571053%2CauthType%3A NAME_SEARCH%2Cidx%3A1-5-5%2CtarId%3A1470089324472%2Ctas%3Athomas%20)) of AAA Blockchains Ltd says that there are multiple examples of Blockchain technologies facilitating all types of value already in existence. He adds that fundamentally, this is a different issue.

McAlister says:

*"Even before a viability consensus has been reached based on fairly general economic conditions for it to be profitable, the greatest issue is security. We have already seen millions of dollars of value stolen from participants of these exchanges over the past few years within the crypto world for which many of these exchanges were shut down".*

He also points out that already there is a huge demand for "BANKCOIN", indicated by the fact that AAA Blockchain Ltd is based out of Belize due to the fact that:

1. They own 100% of the network.
2. They can insure its value.
3. It is a banking crypto commodity which was accepted in United States.

### Battle for acceptance

McAlister explains that for those already trading millions of dollars of transactions through exchanges, the Bankcoin can and will facilitate their transactions by representing a trusted medium of exchange. However, McAlister expresses his reluctance to agreeing that any crypto exchange will become widely accepted due to the economic principles just not supporting it.

He says to CoinTelegraph:

*"Unless multiple types of crypto currencies would be participants, I just do not see it as a reality, and I think the financial industry would agree with this opinion, otherwise they would be doing it already."*

### Three most important factors

McAlister mentions three elements which must be achieved for Blockchain exchanges to see the light of day. They are trust, security and liquidity. He says that having the Blockchain as a settlement system on the backend to existing exchanges is an absolute possibility as the world is showing that they can trust that particular aspect. But for a participation crypto network, McAlister expresses many doubts unless a reasonable level of trust, security and liquidity is achieved.

However, he concludes by painting the following scenario:

*"Assuming McDonalds, KFC or any large global institution with an already devoted consumer base were to create their own crypto coin, then I would say they would definitely meet all the economic and security requirements which they could then essentially float on and a valid sustainable crypto Blockchain exchange. Bitcoin would then surely have a battle for market dominance on their hands."*

### Just a matter of time

Jani Valjavec ([https://www.linkedin.com/in/janivaljavec?authType=NAME\\_SEARCH&authToken=Cxt5&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A23743414%2CauthType%3A NAME\\_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470090481984%2Ctas%3Ajani%20v](https://www.linkedin.com/in/janivaljavec?authType=NAME_SEARCH&authToken=Cxt5&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A23743414%2CauthType%3A NAME_SEARCH%2Cidx%3A1-1-1%2CtarId%3A1470090481984%2Ctas%3Ajani%20v)) of Cashila is certain that Blockchain based exchanges are not very far away.

Valjavec says to CoinTelegraph:

*"In the future, exchanges will emerge that will operate only as price information and contract creation, but only for things which will be issued on top of the same platform (ethereum or lisk (<https://lisk.io/>) for example). When you have the Augur (<https://www.augur.net/>) issued on Ethereum (<https://www.ethereum.org/>) and also some other tokens, you can exchange two assets between two people who neither know nor trust each other. The "exchange" would form a contract with a price and expiration time and each party would send their own amount in the contract. The contract will execute automatically."*

In the case of an amount too high or too late, value is returned to the original owner. When a party defaults, assets that have been sent would be returned to the original owner. According to Valjavec, this can help protect traders from scams, losses and thefts.

Valjavec concludes that decentralised exchange is possible and it is just a matter of time before we have one. However, he notes that it would not be meant for high frequency trading, but would be a perfect solution for OTC deals.

➔ [Blockchain \(/tags/blockchain\)](#)

➔ [Cryptocurrency Exchange \(/tags/cryptocurrency-exchange\)](#)

➔ [Ethereum \(/tags/ethereum\)](#) ➔ [Lisk \(/tags/lisk\)](#)

➔ [Bitcoin \(/tags/bitcoin\)](#)

➔ [Thomas McAlister \(/tags/thomas-mcalister\)](#)

➔ [Jani Valjavec \(/tags/jani-valjavec\)](#)

➔ [Cryptocurrencies \(/tags/cryptocurrencies\)](#)

➔ [Security \(/tags/security\)](#)

➔ [Smart Contracts \(/tags/smart-contracts\)](#)

## Comments

Author Olusegun Ogundesi

2016-08-01 04:56 PM

## Blockchain Revolution is On: Alibaba to Make Donations Trackable

1985 Total views

360 Total shares



Alibaba (<https://www.alibaba.com/>)'s introduction of tamper-proof Blockchain (<http://www.bloomberg.com/news/articles/2016-07-31/jack-ma-takes-on-murky-china-charities-in-first-blockchain-foray>) technology to improve accountability in the Chinese charity industry will boost the trend, particularly among other organizations.

The Xinhua News Agency ([http://news.xinhuanet.com/english/2016-03/04/c\\_135155166.htm](http://news.xinhuanet.com/english/2016-03/04/c_135155166.htm)) reported that Chinese philanthropy rose 10-fold to \$15 billion in the decade through 2014. This has been marred with several cases of scandals hence this move by Alibaba, the world's most popular in e-commerce market, controlled by Chinese billionaire Jack Ma.

Ant Financial, the affiliate of Alibaba Group Holding Ltd, is handling the new initiative aimed at tackling misuse of funds and to gain public trust. It has began a ledger to record donations made by its more than 400 million users of Alipay (<https://global.alipay.com/>), the online payments and investment service. Donors will be able to track transaction histories, know where their funds go and how they're used.

The project kicks off via a tie-up with the China Social Assistance Foundation (<http://www.csaf.org.cn/en/>). The initial project is using a private Blockchain which only Ant Financial currently has access to. Ant Financial joins companies

including Citigroup Inc and JPMorgan Chase & Co which are now experimenting with Blockchain.

### Why Blockchain for charity

The Blockchain provides a record of all transactions and a way of determining who owns what at any given time. In the philanthropic context, it provides donors with a new way of giving and allows charities a new fundraising channel.

According to Charity Aid Foundation (<https://www.cafonline.org/docs/default-source/about-us-publications/givingunchained-philanthropy-and-the-blockchain.pdf?sfvrsn=4>), a lot of the interest in the Blockchain revolves around a handful of themes related to its features which mainly include transparency and openness. It also reduces transaction costs and increases trust both in the donors and in the system which powers the industry.

Some of the ways in which the technology could impact the charity industry is by providing new ways for donors to give and new ways of addressing social problems by changing how charities operate. It is also expected to lead to new issues for charities to address.

👉 [Blockchain \(/tags/blockchain\)](#)      📁 [Alibaba \(/tags/alibaba\)](#)

👉 [Donations \(/tags/donations\)](#)      📁 [Charity \(/tags/charity\)](#)

👉 [China \(/tags/china\)](#)

Comments

Author Angus Leung

2016-07-31 01:00 PM

## Fintech Startup N26 Receives EU Banking License, Launches Investment Product

1796 Total views

270 Total shares



With the banking license, this will give N26 the ability to access the entire EU instead of the handful of countries it originally operated in, as an EU licensed bank. Originally, they relied on Wirecard, a German banking platform.

Launching its app back in 2015, N26 (<https://n26.com/>) or formerly NUMBER26 has around 200,000 users on its mobile banking app for them to be able to open bank accounts, transfer and even deposit/withdraw using an ATM or CASH26 locations.

### Adding features

Valentin Stalf (<https://twitter.com/valentinstalf>), founder and CEO of N26 states:

*"This [banking license] will allow us to significantly enhance the diversity of our product portfolio. For our customers, that means access to the best financial products, right on the app."*

N26 will now be able to decrease service fees and expand its services or its mobile app, attracting more customers to make the switch to the online banking app. In a press release (<https://n26.com/wp-content/uploads/2014/06/n26-press-release-banking-license.pdf>), N26 stated that the license will also allow them to partner with other fintech and financial providers worldwide. As a result, the company launched N26 invest (<https://n26.com/introducing-n26-invest/>) on July 26 using Vaamo, a Frankfurt-based investment platform. This service has over 15,000 securities in 3 different plans which will mean any investments will be diversified.



# NUMBER26

Maximilian Tayenthal (<https://twitter.com/mtayenthal>), Founder and CFO of N26, explains:

*"Millions of Euros lie unused in German checking accounts. In a period of low interest rates that effectively means a financial loss. With N26 Invest our customers have the possibility to easily put their excess funds to work."*

## Expanding into European markets

So far, N26 is only available in Germany and Austria but with their banking license, Stalf says that they could launch later this year or in 2017 in the UK. However, there is one obstacle. Brexit, which has influenced the fintech sector since the UK, is separating from key cities such as Berlin.

As Bitcoin users are pushing for decentralization and Blockchain technology implemented into banking, online banking companies such as Tangerine and Revolut are modernizing the traditional banking methods.

Putting online banking as a priority allows more customers to access their accounts when a physical bank branch is not near them. Presently, only several fintech companies in the European Union have the European banking license to unlock the entire european market.

After finishing a Series B funding round with \$40 million USD in June and their banking license, N26 is prepared to take on the retail banking market.

◆ Startups (/tags/startups) ◆ EU (/tags/eu)

◆ Banks (/tags/banks) ◆ Germany (/tags/germany)

Comments

Author Olusegun Ogundehi

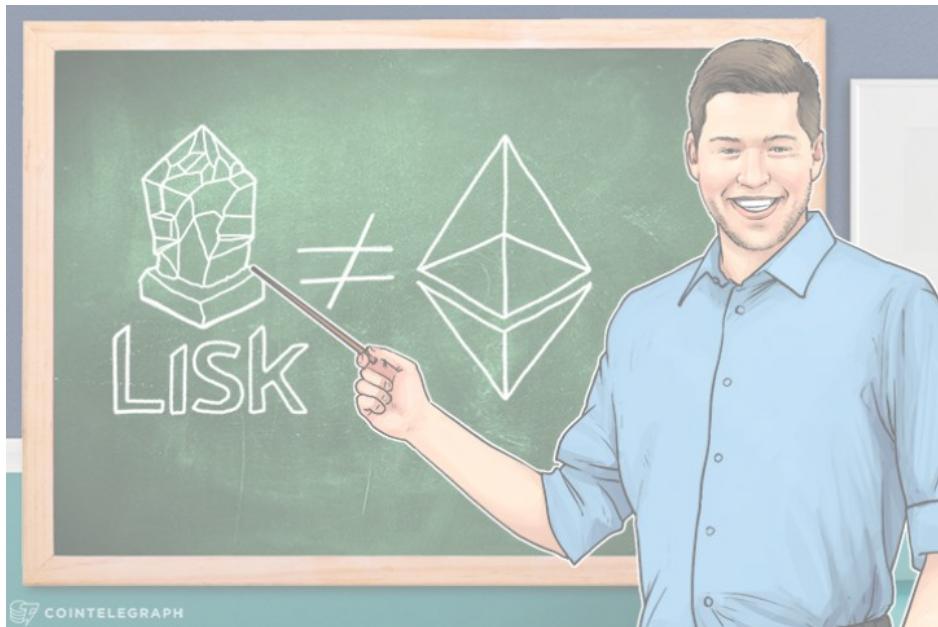
2016-07-31 09:30 AM

## Lisk is Not a Fork of Ethereum, CEO Max

# Kordek States

2626 Total views

265 Total shares



In the wake of the split into ETH and ETC - Ethereum Classic, following the recent hack of The DAO on the Ethereum platform which led to a hard fork (<https://blog.ethereum.org/2016/07/20/hard-fork-completed/>) to recover the stolen funds, Max Kordek (<https://twitter.com/maxkordek?lang=ru>), Lisk CEO, has come out to "clean up some misunderstandings, and explain briefly what Lisk is and what it isn't."

## Lisk is not a fork of Ethereum

In a blog post (<https://blog.lisk.io/what-is-lisk-and-what-it-isnt-e7b6b6188211#.xra3jrdi9>) to the Lisk community, Kordek states categorically that Lisk is not a fork of Ethereum as the first of various misunderstandings, myths, and other wrong facts he wanted to dispel.

Kordek writes:

*"The Lisk code base was forked from the Crypti project Oliver and I were a part of for 18 months before we started Lisk. About 2 years ago Crypti collected 750 BTC in order to develop a Blockchain application platform. In the end the Crypti foundation developed a code base which was a good starting point for a new project."*



### On growth potential in China

Kordek, who recently visited China, also noted that Lisk is not a competitor to every Blockchain project, though practically everything could be implemented into a Lisk sidechain and the Blockchain space is big enough to have several projects solving the same issues.

He says the Lisk App SDK (<https://github.com/LiskHQ/lisk-dapps-sdk>) is a framework to deploy users' own sidechains and develop Blockchain applications on top of them. These include platform independent social networks, messengers, games, financial applications, prediction markets, exchanges, storage platforms, contract execution platforms etc, without the hassle of complicated consensus protocols or P2P networking algorithms. Everything is written in JavaScript.

On his recent trip to China where he listened to Vitalik Buterin's first presentation in Chinese, and also talked to him briefly as well as to the Lisk community, he says to CoinTelegraph that the Asian giant is another game with an enormous potential for his project.

*"I encountered a different culture, met many Blockchain enthusiasts, and I personally see a huge potential for Lisk in China. This was definitely not my last trip to China, and we will make major efforts in China and Asia as a whole with Lisk. We will be back in China in late September. However, partnerships don't happen overnight. I met many individuals who are interested in what we at Lisk are working on. Obviously, Lisk needs to grow first on the technology side to make a huge splash. The next time I'm in China we will continue all these discussions. Lisk will be ready then in terms of technology and business. If you connect Lisk and China the only possible step is forward."*

### Is Lisk ready?

In the post, he stated that Lisk isn't ready or else there wouldn't have been an ICO. Some parts of our great vision still take months, other parts maybe years. It doesn't take a week to revolutionize the app market, he noted.

However, in the email, he said that within the next two weeks, he will be moving to Berlin with Oliver to open up an office and "the legal entity will also be established sooner rather than later, we will get access to the funds, and the real business can then begin."

Kordek concludes:

*"Within the next days, the Lisk community can expect a client update (0.3.2) which will fix some annoying bugs, such as that not every initiated transaction gets included into the Blockchain and you have to resend it. This is quite annoying for exchanges and that's why it has priority for us. We will also cherry pick some fixes which were originally intended for the 0.4.0 update and include them in 0.3.2."*

♦ [Lisk \(/tags/lisk\)](#)    ♦ [Ethereum \(/tags/ethereum\)](#)

♦ [Max Kordek \(/tags/max-kordek\)](#)    ♦ [China \(/tags/china\)](#)

Comments

Author Olusegun Ogundesi

2016-07-29 02:50 PM

## Blockstream Acquires Bitcoin Wallet, Lightning Network Not The Reason

986 Total views

113 Total shares



Blockstream's acquisition of GreenAddress (<https://greenaddress.it/en/>), a Bitcoin wallet software provider based in Europe, has nothing to do with the Lightning Network (<https://lightning.network/>), says Lawrence Nahum

(<https://twitter.com/larrybitcoin>), CEO and founder of GreenAddress.

Blockstream (<https://blockstream.com/>) started developing the Lightning Network which is aimed at providing a scalable, instant Bitcoin/Blockchain transactions at a low cost. It is one of scalability ideas which has been proposed by the Bitcoin development community.

Nahum reveals to CoinTelegraph that the acquisition is geared towards improving the wallet.

He says:

*"Both teams from GreenAddress and Blockstream have strong and reciprocal appreciation and working as one will improve both the wallet as well as the libraries available for Bitcoin and sidechains. At GreenAddress we always worked hard to find the perfect balance between security, privacy and ease of use. This balance is a moving target and also user/amount dependant so you can never say it's 'done' or 'perfect' - software needs to be maintained and updated."*

## What it means for the users

Blockstream described (<https://blockstream.com/blog/>) this addition of an open source, well-tested, production quality wallet as a natural choice in its sidechain technology roadmap as it increases the reach of their platform and allows them to meet the requirements of their enterprise applications.

In an email to its users (<https://blog.greenaddress.it/>), GreenAddress highlights some upcoming improvements as including a multi-platform wallet library to enable more rapid development of all platforms, enhanced privacy and security, and sidechain support throughout the platform.

It says extending GreenAddress to work with sidechains will mean that its users will have the ability to manage not only Bitcoin but other assets and features that are coming online over the next months and years as Blockstream and other developers establish new sidechain-based networks.

Nahum explains:

*"GreenAddress is a non-custodial wallet and the software is well suited for supporting assets from sidechains; and our teams have experience working really well together. We tend to move fast to designs/technologies that strongly impact security/privacy/ease of use and many people like this and how we reliably implement the most innovative features and continue to deliver improvements as they become available (for instance new hardware wallets as well as new Bitcoin protocol/wallet features as they become live)."*

GreenAddress is available for Android (<https://play.google.com/store/apps/developer?id=GreenAddress%20IT%20Ltd&hl=en>), iOS (<https://itunes.apple.com/us/app/greenaddress/id889740745?mt=8>), and

Chrome

(<https://chrome.google.com/webstore/detail/greenaddress/dgbimgjoiijjemhdamicmljbncacfndmp?hl=en>). All apps are and will remain open source.

➔ BlockStream (/tags/blockstream)

➔ Bitcoin Wallet (/tags/bitcoin-wallet)

➔ Lightning Network (/tags/lightning-network)

➔ GreenAddress (/tags/greenaddress)

➔ BlockChain (/tags/blockchain)

➔ Transactions (/tags/transactions)

Comments

Author Olusegun Ogundesi

2016-07-29 01:30 PM

## Synereo CTO on DAO Bitter Lesson: How to Avoid Trust Abuse

1537 Total views

183 Total shares



Synereo (<http://www.synereo.com/>) says it is working out what is a legitimate idea about how a DAO should properly function.

It takes into account the human element when a system is not 100% autonomous but requires people with roles neatly defined in smart contracts. They will participate in the governance of decentralized systems, unlike in the case of Ethereum which has been described as a completely autonomous system.

### Who should keep the keys to the kingdom?

This is timely following the recent hack of The DAO - or the Decentralized Autonomous Organization - on the Ethereum platform which led to a hard fork (<https://blog.ethereum.org/2016/07/20/hard-fork-completed/>) to recover the stolen funds. It has resulted in a split into ETH and ETC - Ethereum Classic.

In an interview in the 75th episode of The Bitcoin Podcast (<https://blog.synereo.com/2016/07/26/synereo-interviews-the-bitcoin-podcast-75/>) titled Attention Economy, Greg Meredith, the CTO of Synereo, who is a recognized expert in the field of computation with many academic publications to his name, argued that making computer programmes be completely autonomous is a risk.

Meredith says:

*"You can't visually inspect or probe a programme and say what it is going to do. Even if you probe with other kinds of automated means, it becomes halting hard to really tease out all the twists and turns that the programme can do. Computer programmes are mysterious. But they don't have a lot of human qualities that make us sort of bond with each other. It's ill-advised at this point to just hand over the keys to the kingdom to this new class of autonomous agent without a lot of reflection. I think that's the situation we're in right now."*



### What to do with billions of interconnected contracts?

According to Meredith, the computer languages and programmes are built upon mathematics with a certain scope to operate in. What they can do and at what range they can do those things are not sufficiently known.

Meredith explains:

*"First of all, you can't know it for a single programme. It becomes a lot worse when we imagine millions and millions of contracts and millions and millions of instances of those contracts. The first millions have a different kind of contract. The second millions is instances of those contracts that are running. So we're literally talking billions of interconnected contracts. To think that we can understand the dynamics of that scale - we really don't."*

Earlier in the interview, the hosts of the podcast said that Synereo's formally-verified smart contracting language, Rholang ([https://www.reddit.com/r/trueethereum/comments/4r434n/synereo\\_claims\\_th\\_at\\_rholang\\_smart\\_contracting/](https://www.reddit.com/r/trueethereum/comments/4r434n/synereo_claims_th_at_rholang_smart_contracting/)), would have prevented the attack on The DAO.

They also said they have had positive responses from many conversations they had about the sharing of Synereo's "DAO attack-preventing" code. The interest in working with the platform and utilizing their smart contracting framework has risen.

### Synereo and its social model

Synereo offers a social model (<https://www.youtube.com/watch?v=K4XRZk39tbU>) - one that integrates measures of compassion in its code. Their reputation mechanism assures that trust in people is still required, while tying the control assigned to them in formally-verified smart contracts – making that trust much harder to abuse.

The technology behind it has been in development for more than four years before they thought of monetizing it to create a sustainable model for the decentralized network.

By September, its Alpha release would be started as a test-net style process. It would enable its team to work with users on problems, listen for ideas, make improvements, and verify methods before bringing smart contracts, funded DAOs or DCOs online, etc.

► Synereo (/tags/synereo) ► DAO (/tags/dao)

► Greg Meredith (/tags/greg-meredith)

► Ethereum (/tags/ethereum)

Comments

Author Joël Valenzuela

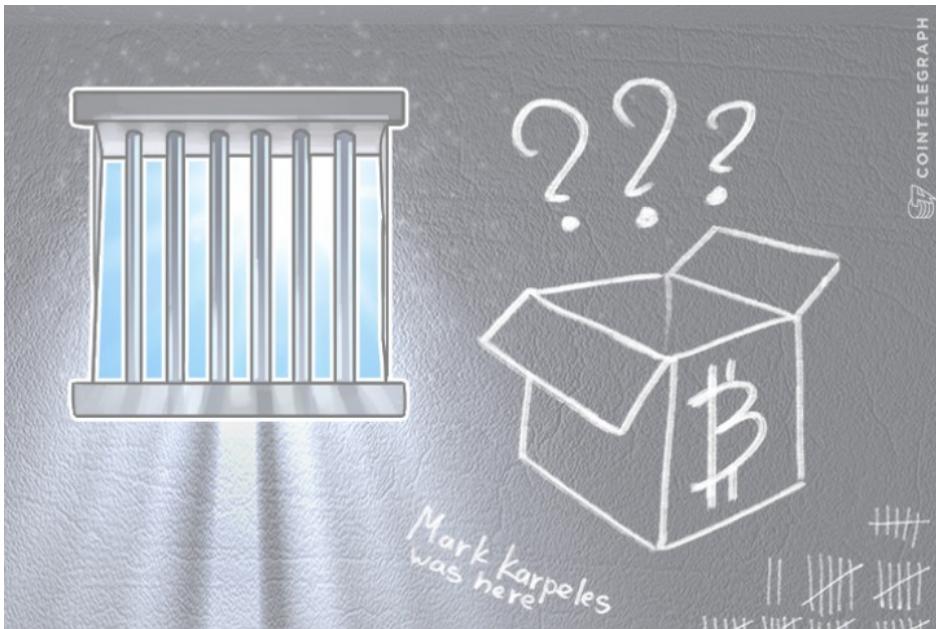
2016-07-29 09:30 AM

## Mt. Gox CEO Mark Karpeles: Did You Guys Even Work Out That Block Size

# Thing?

1472 Total views

93 Total shares



Fresh out of jail on bail for embezzlement, disgraced Mt. Gox CEO Mark Karpeles poked fun at the Bitcoin community's for their lack of resolution in the block size limit issue.

Karpeles, in a tweet

(<https://twitter.com/magicaltux/status/754216485740875776>) sent shortly after his release from jail (<https://cointelegraph.com/news/mt-gox-ceo-mark-karpeles-out-on-bail-thinner-than-before>), expressed his detachment from and disdain for the current state of Bitcoin, including a jab at the persisting one-megabyte block size limit debate:

 **Kryptonaut**  
@TECHNSAVE 16 Jul

@MagicalTux what's your price prediction for bitcoin Mark - new ATH 2016/2017?

---

 **Mark Karpeles**  
@MagicalTux 

@TECHNSAVE No idea of even what the current price is, nor do I really care for now. Did you guys even work out that block size thing?  
2:29 AM - 16 Jul 2016

↪ 14 ❤ 18

Block size limit still an issue, though drama has died down

The issue of whether or not to raise Bitcoin's block size limit is a contentious one, responsible for a "splinter subreddit," /r/btc, to emerge offering a pro-raised block size counter-perspective to /r/bitcoin's pro-Core stance.

Bitcoin Classic, the latest and greatest attempt to hard fork Bitcoin and in doing so raise the limit, appears to have failed (<https://cointelegraph.com/news/bitcoin-classic-nodes-dwindle-as-block-size-problems-worsen>). The average block size continues to creep up (<https://blockchain.info/charts/avg-block-size?timespan=30days>) as the mempool size has entered a 30-day high (<https://blockchain.info/charts/mempool-size?timespan=30days>), while fees are on the rise (<https://bitcoinfees.info/>) as well.

However, post block reward halving, the drama surrounding the block size disagreement seems to have died down.

Despite the ongoing scalability issue, some in the Bitcoin community maintain that the currency remains strong (<https://cointelegraph.com/news/the-sky-isnt-falling-steven-zeiler-on-why-bitcoins-future-is-strong>). Indeed, the price, market cap, and trading volume of Bitcoin continues to grow (<https://coinmarketcap.com/currencies/bitcoin/>) undaunted.



### Mt.Gox debacle was Bitcoin's first major obstacle to overcome

In addition to commenting on one of Bitcoin's more discussed issues of recent memory, Mark Karpeles was at the center of one of its first crises.

Mt. Gox, the first major cryptocurrency exchange, collapsed when an estimated 700,000 Bitcoins went missing. Karpeles, the CEO, was arrested under charges of fraud (<https://cointelegraph.com/news/mark-karpeles-soon-to-face-mt-gox-criminal-fraud-charges>), and was accused of embezzling money (<https://cointelegraph.com/news/mt-goxs-karpeles-embezzled-funds-spent-on-prostitutes>) to spend on prostitutes.

Since the fall of Mt. Gox, the Bitcoin economy has recovered and moved on.

♦ [Mt. Gox \(/tags/mt.-gox\)](#)

♦ [Mark Karpeles \(/tags/mark-karpeles\)](#)

♦ [Bitcoin Block Size \(/tags/bitcoin-block-size\)](#)

Comments

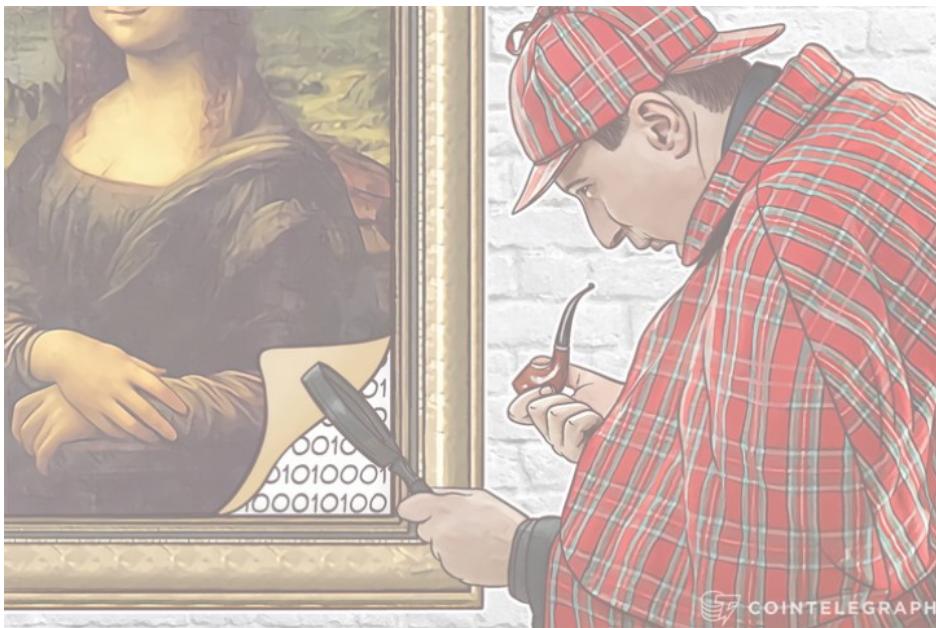
Author Olusegun Ogundesi

2016-07-28 02:15 PM

# Blockai Uses Bitcoin Blockchain to Protect Intellectual Property

1525 Total views

334 Total shares



Blockai (<https://blockai.com/>) now allows online content creators to claim cryptographic proof of their works to be recorded on the Bitcoin blockchain so that it gives basic copyright protection which can help owners remove copyright violations.

Registering a copyright with Blockai will remain free forever.

CEO Nathan Lands (<https://www.linkedin.com/in/nathanlands>) says to TechCrunch (<https://techcrunch.com/2016/03/14/blockai-launch/>):

*"The blockchain is the perfect solution for providing proof of creation. It's a permanent immutable record. Meaning, once the record is there, it's there forever and will never change."*

## Copyright protection as profitable business

According to Blockai, copyright protection generates over \$1.126 trillion in revenue per year in the US alone despite its cost of registration with the government, the slow and time-consuming registration process and the fact that it mainly benefits major corporations.

Copyright registration is one of the most important parts of the world economy which protects all creative works such as art, photos, songs, videos, literature, architecture and computer software.

Earlier this year Blockai raised \$547,000 in seed funding to relaunch as a Blockchain copyright service in March. This was after changing from its initial plan to be a 'Netscape for Bitcoin' in 2015 which will turn the Blockchain into a kind of social media stream that would allow users to send messages and authenticate items.

### Bright future for artists?

Though the internet presently makes it easier than ever for artists to create and share their works online, they benefit huge companies because of the Internet's inability to protect their copyright, as well as the cost of registering with the US Copyright Office.

In a future where creative work is more fulfilling, Blockai aims to help artists earn a good living by creating and publishing to the web particularly from websites that share their profit of revenues from creative works.

A permanent timestamp (<https://blockai.com/c/kazm8e/certificate>) on the Bitcoin blockchain from Blockai helps protect every creator with a proof of publishing which arms when sending cease and desist letters or DMCA notices to enforce websites to remove copyrighted works or otherwise be legally liable.

Lands concludes (<https://techcrunch.com/2016/03/14/blockai-launch/>):

*"The ideal future system is one where there is a universal database for claiming ownership of creations and for paying royalties and making it as simple as possible for people to do the right thing."*

◆ [Blockai \(/tags/blockai\)](#) ◆ [Blockchain \(/tags/blockchain\)](#)

◆ [Copyrights \(/tags/copyrights\)](#) ◆ [Artists \(/tags/artists\)](#)

Comments

Author Joseph Young

2016-07-28 12:47 PM

## Ethereum Fiasco Justifies Principled Decisions of Bitcoin Developers

1906 Total views

226 Total shares



Ethereum, a network still in its infancy which was introduced on July 30, 2015, is already dealing with a major conflict amongst its community (<https://cointelegraph.com/news/realm-of-ethereum-splits-into-two-coins-volume-hashrate-of-etc-surges>) as a result of a hard fork which was implemented without the full consensus of the community.

Even worse, the hard fork was executed to benefit a certain party of the Ethereum community, not the network as a whole.

### **Bitcoin and scaling dilemma**

Bitcoin Core developers and the Blockstream team have constantly received heavy criticism over the past few years from the Bitcoin community for their inability to reach consensus on the everlasting blocksize debate.

Eventually, as the Bitcoin network and its underlying technologies matured, a number of sophisticated proposals emerged, such as Segregated Witness (<https://cointelegraph.com/news/summer-of-segwit-bitcoin-core-begins-segregated-witness-soft-fork>) and the Lightning network (<https://cointelegraph.com/news/bitcoin-lightning-network-can-it-provide-privacy-for-the-masses>), to scale the network in a more cautious manner.

In contempt of the Bitcoin core developer team's practical approaches of dealing with the expanding blocksize, many members of the community, including startups and entrepreneurs, have called for an execution of hard fork to instantaneously enlarge the Bitcoin block size.

Yet, the Bitcoin Core developers remained devoted in the development of various scaling technologies and proposals to optimize the Bitcoin network with minimum effect to the protocol and users.

As Edan Yago, CEO of Epiphyte Corporation, notes (<https://twitter.com/EdanYago/status/758184604255809536>) the developers' innovative approaches in dealing with the network's scaling dilemma allowed Bitcoin to survive for over 7 years, without any significant fork or chain split.

## Ethereum hard fork and its impact on Bitcoin network

Granted, the proposals and suggestions to launch a hard fork on the Bitcoin network could be justified, since they may serve the network an appropriate purpose. The issue with a hard fork is, the unforeseen and unpredictable result it will bring to the network.

The Bitcoin Core developers, who have proven to be skeptical, philosophical, and confident with their technical knowledge of the network, are aware of both the negative impact a small block size could bring to the Bitcoin industry and the unpredictable nature of a hard fork.

If executed poorly, a hard fork could possibly put pressure on the Bitcoin network itself, which could potentially lead to its demise. This very reason is the motivation of Bitcoin Core developers of building various scaling technologies which could optimize the network without imposing any negative impact to it.

Bitcoin enthusiasts and entrepreneurs, including Stephen Pair (<https://www.linkedin.com/in/stephen-pair-9a332b9>), BitPay co-founder and CEO, and security engineer Stephen Cole (<https://twitter.com/sthenc>) told the community that the Bitcoin Core developers deserve credit for their approach to the blocksize debate, and their daring mentality.



**Stephen Cole**  
@sthenc

24 Jul

Many tease bitcoin core for exaggerating risk, emphasizing game theory & bad actors. The ETH fork fiasco shows the value of that mentality.

---

**Stephen Cole**  
@sthenc

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Attributes I cherish in the **#bitcoin** community

- skeptical
- risk averse
- security conscious
- evidence- & test-driven
- principled

7:55 PM - 24 Jul 2016

11 20

➔ Ethereum (/tags/ethereum)

➔ Bitcoin Block Size (/tags/bitcoin-block-size)

➔ SegWit (/tags/segwit) ➔ Hard Fork (/tags/hard-fork)

Comments

Author Joël Valenzuela

2016-07-27 04:25 PM

# OK Google, SOS! Android to Send Location Data to First Responders

660 Total views

67 Total shares



Android will soon automatically send user location data (<http://www.pc当地.com/news/346483/android-to-send-location-data-to-first-responders>) to emergency response services.

According to a blog post for Google Europe (<http://googlepolicyeurope.blogspot.com/2016/07/helping-emergency-services-find-you.html>), users dialing emergency service numbers will be automatically located by using location services and WiFi, with that data transmitted to emergency responders.

It is stated in the blog post:

*"Accurate emergency location can be the difference between life and death. In fact, the US Federal Communications Commission estimates "an improved location accuracy which results in reducing wireless E911 response time by one minute can result in saving over 10,000 lives annually"."*

Possibly anticipating user pushback against a potential violation of privacy, Google insists that this feature is used exclusively for emergency services, and is not shared with others.

The company explains:

*"This feature is solely for the use of emergency service providers, and location is never seen or handled by Google. It is sent from your handset to emergency services only when you explicitly place an emergency call, either directly or through your mobile network."*

## Possible chilling implications of automatic user geolocation

A possible negative side-effect of automatically pairing emergency calls with explicit geolocation of the caller is the fear of legal repercussions for the caller. Government emergency service response often involves police as well as medical assistance, which can cause complications when reporting an emergency, as others present may have been involved in the same illegal activity that triggered the need for assistance.

This fear of prosecution may lead to a reluctance to call life-saving help (<http://articles.latimes.com/2010/jan/18/opinion/la-oe-cook18-2010jan18>) in time. Adding forced access to location and other data can implicate a bystander calling for help as being complicit in a crime.

Because the fear of facing legal repercussions for helping out a friend in danger, in some areas 911 immunity laws (<http://listen.sdpb.org/post/law-gives-immunity-underage-alcohol-offenders-when-calling-911-emergency-situations#stream/0>) are passed. These allow immunity from prosecution for bystanders reporting an emergency, even if they themselves were involved with illegal activity such as underage drinking or prohibited drug use.

## Independent apps already have a head start on geolocated emergency response

Preceding Android's planned integration with emergency services, there exist emergency response apps which transmit a user's location in times of need without alerting authorities.

Cell 411 (<https://cointelegraph.com/news/crypto-anarchist-virgil-v%C7%8Eduva-of-cell-411>) is an app that allows for users to send for help to different networks of friends of emergency responders, including transmit their location and lay out a path for help to arrive.

Cell 411 received a large angel investment (<https://cointelegraph.com/news/decentralized-emergency-response-app-cell-411-receives-angel-investment-all-in-crypto>) in cryptocurrency this earlier year to fund further development of the app, which has particularly caught on in rural areas of South Africa (<https://cointelegraph.com/news/decentralized-tech-could-help-with-south-africas-economy-and-high-crime-rates>) where farmers seek to defend themselves against an increasing wave of violence.

➔ Google (/tags/google)

➔ Android (/tags/android)

➔ Cell 411 (/tags/cell-411)

Comments

Author Andrew Marshall

2016-07-27 02:00 PM

# NXT/Ardor Platform to Make Blockchain Cheaper and Safer

1732 Total views

185 Total shares



NXT team (<https://nxt.org/>) has announced the launch of the full suite of Smart Transaction templates. Meant to serve as building blocks for businesses to construct Blockchain solutions for particular problems, they represent a less risky alternative to Ethereum's Turing-complete smart contracts.

The development of NXT's Smart Transactions began 3 years ago, as the need to provide an easy way to implement scalable Blockchain solutions in unrelated businesses has been recognized. The team set out with the goal of delivering a working framework, which would be secure, easy to code and lightweight.

In order to fulfill that goal, they have created and rigorously tested a suite of Smart Transaction templates, which can be used on their own, or in various combinations, to build the necessary applications for businesses, governments, lawyers, organizations, and so on.

## Low risk, low cost Blockchain-as-a-Service

The main idea behind NXT's Smart Transaction templates is to provide a low-risk, low-cost opportunity to implement Blockchain smart contracts, leaving little room for human error, compared, for example, to Ethereum's freeform smart contracts.

Here's how Mitchell Loureiro (<https://www.linkedin.com/in/mitchellloureiro>), NXT's Marketing Strategist, compared the two:

*"The templates are designed to work like Lego, essentially, while Ethereum is like clay. With Ethereum, every piece needs to be built from scratch, then molded. Any imperfections cause damage later. With NXT, the lego pieces are already tested and secure. You need only assemble them in the right combination to achieve whatever goal you have. The right combination of Smart Transactions, as we call them, can accomplish a variety of goals."*

Now, 3 years after the development of Smart Transactions began, they are fleshed out, well-tested, and, according to the developers, able to cover almost all needs a business can have.

If you are interested in learning more about NXT's Smart Transaction templates, you can use the following links:

- NXT for developers (<https://nxt.org/get-started/developers/>)
- NXT Wiki ([http://nxtwiki.org/wiki/Main\\_Page](http://nxtwiki.org/wiki/Main_Page))
- Short guides on NXT coding (<https://nxt.org/category/coding/>)

## Ardor tokens distribution

The concept of Smart Transactions is closely tied to Ardor (<https://www.ardorplatform.org/>), a "child chain" platform in development by NXT's team, which was announced (<https://cointelegraph.com/news/ardor-new-competitor-to-ethereum-arises-amidst-reports-of-the-dao-attack>) late last month. A Blockchain-as-a-Service platform, Ardor's mission is to allow anyone to set up their own child chains, connected to NXT's main Blockchain for security purposes.

The platform is due to be released in 2017, and it will be fully compatible with the Smart Transaction templates.

Ardor tokens, the cryptocurrency which will power the Ardor ecosystem, are planned to be released earlier than the system itself on October 12, 2016. They will be distributed to every holder of NXT, the amount received being an average of hourly snapshots of the owners' balances.

Three major exchanges so far have agreed to take internal snapshots of their customers' balances for the purpose of future distribution of Ardor tokens: Poloniex (<https://poloniex.com/>), BTC38 (<http://www.btc38.com/>), and Bittrex (<https://bittrex.com/>). The snapshotting process takes place from July 14, all the way to October 12, when it will end on the millionth block of NXT's Blockchain.

Bas Wisselink (<https://www.linkedin.com/in/bwisselink>), Director of NXT Foundation, claims that this is the perfect time for people outside of the crypto industry to become engaged in the Blockchain technology, as the exchanges allow for fiat-to-NXT, and, by extension, to-Ardor trading:

*"This is a really exciting time for NXT users and people who wouldn't normally engage with the cryptocurrency world. Many of the concerns our users had with regard to scalability and the ability to customise individual chains using the central Blockchain have been addressed with the design of Ardor. The introduction of Fiat currency exchange will enable retail investors and people beyond the Fintech and investment world to access the benefits of a decentralised asset exchange in these uncertain times."*

◆ NTX (/tags/ntx) ◆ BlockChain (/tags/blockchain)

◆ Ardor (/tags/ardor) ◆ Tokens (/tags/tokens)

◆ Bas Wisselink (/tags/bas-wisselink)

Comments

Author Denis Harrison

2016-07-27 09:00 AM

## Ethereum (ETH) Price Trends (Week of July 27th)

1216 Total views

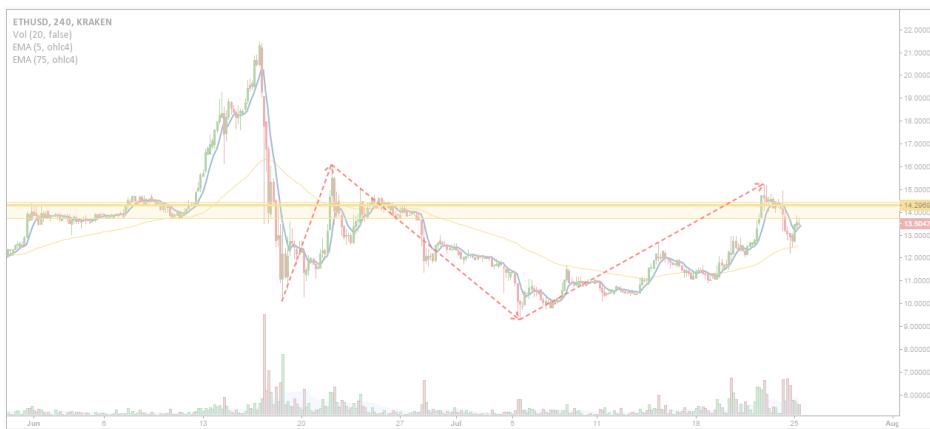
88 Total shares



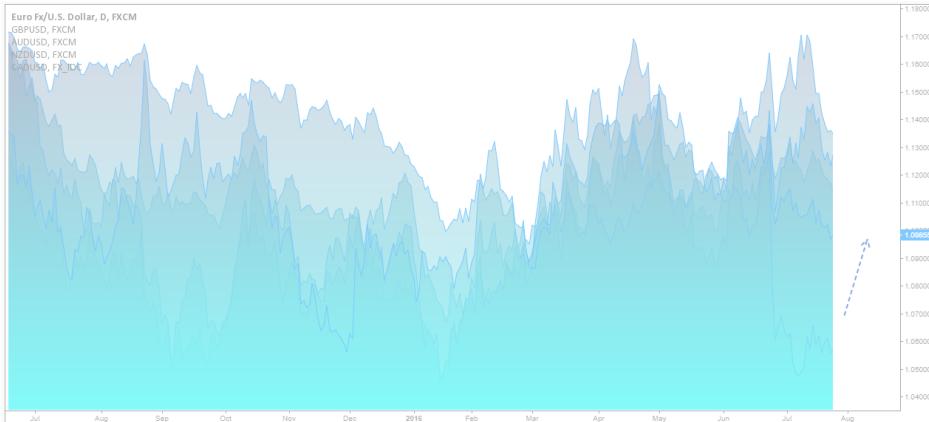
Ethereum has formed a wave of a medium-term upward trend. The structure of the downward trend has been disrupted, hence there is a possibility of a medium-term upward turn.

### Is it a flat or a continuation of a long-term upward trend?

The upward trend has equalized the distribution of power between the bulls and the bears last Friday. A break through a zone near \$14 means that there is no particular sentiment regarding Ethereum's price, i.e. there is a sideway movement on the market. Ethereum's price is forming a wave for a medium-term upward trend. But it's too early to speak about a turn to growth yet. We have to analyze the traders' reaction to the key level of \$14. It's worth noting the way the volume has been growing with the price approaching the level of \$14. This only confirms the importance of that zone. That's why the level of \$14.2 will be of critical importance for the formation of an upward trend.



Most fiat currencies have formed downward trends. The minimal targets were reached by almost all currencies. As a rule of thumb, upward rebounds should follow. Wednesday news from the US can serve as a trigger for growth. The US Federal Reserve will give their commentary on monetary policy, and will also make a decision on the interest rate. All that can also influence Ethereum.



Because at the moment a medium-term trend is very clear, the future movement has two possible development scenarios. If the bulls take the advantage, Ethereum's price will have to fortify above \$12. The key level, formed by a diagonal channel, accumulated volume and the correctional Fibonacci level 38, will serve as a support line for a medium-term upward trend. Most bulls will open their deals at that level, because it's usually very profitable to bet on rebounds. When several important instruments intersect at a single point, the odds of an event happening grow.



The second option is a formation of a new wave of the flat. In that scenario, Ethereum's price will form a turn around \$12 and will trend towards \$10. The bears have already shown themselves at \$14-15, which has allowed Ethereum's price to drop.

That's why a decisive moment for the upward trend will be the traders' reactions at around \$12. That mark is responsible for the structure of the upward trend. If the flat continues, the structure of the trend always breaks. If there is not enough support for the continuation of the trend at a key level, the opposite happens - a turn and a fall.

Ethereum has to fortify above \$12, which will indicate the strength of the bulls. In that case, the medium-term growth is likely to continue to at least \$20.

♦ Ethereum (/tags/ethereum)

♦ Ethereum Price (/tags/ethereum-price)

Comments

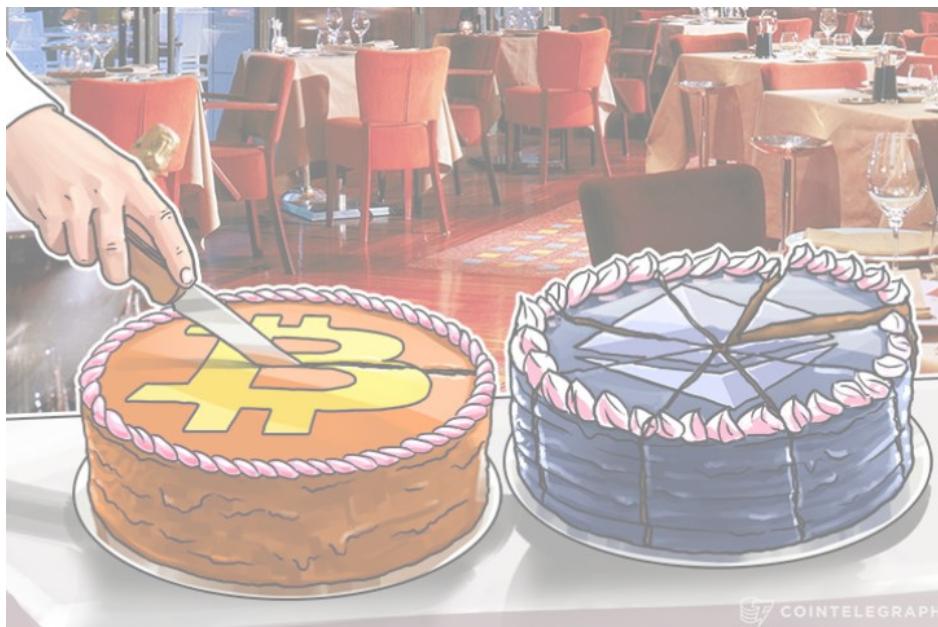
Author Olusegun Ogundesi

2016-07-25 02:05 PM

## Bitcoin Community Mulls a BTC Classic Idea Following Ethereum Split

1805 Total views

147 Total shares



At least two Reddit threads have sprung up in the last 24 hours deliberating on the idea of calling for a Bitcoin Classic following the Ethereum Classic split (<https://cointelegraph.com/news/ethereum-classic-now-3rd-most-traded-cryptocurrency-after-bitcoin-and-ethereum>) from Ethereum.

In the first instance, why not just activate fork now? ([https://www.reddit.com/r/btc/comments/4ug84o/why\\_not\\_just\\_activate\\_fork\\_now/](https://www.reddit.com/r/btc/comments/4ug84o/why_not_just_activate_fork_now/)) the OP doyourduty (<https://www.reddit.com/user/doyourduty>) posted:

*"If ETHc can apparently sustain itself against ETH, Bitcoin classic/unlimited/xt can definitely sustain itself against core. It's been years of whining on the sidelines waiting for miners to act and come to our side. Let's just do it!"*

It generated mixed comments as well as the second thread Now Let's Create Bitcoin Classic (big block support), led by Gavin, It will be \$3B market cap immediately

([https://www.reddit.com/r/btc/comments/4ugdij/now\\_lets\\_create\\_bitcoin\\_classic](https://www.reddit.com/r/btc/comments/4ugdij/now_lets_create_bitcoin_classic_big_block_support/)

[c\\_big\\_block\\_support/](https://www.reddit.com/user/Bitnicty)) whose OP Bitnicty

(<https://www.reddit.com/user/Bitnicty>) says:

*"Guys, Ethereum hard fork opens our eyes to new solutions and the possibility to the Bitcoin deadlock, let's hard fork to Bitcoin Classic. I bet exchanges, miners (they are greedy anyway) will jump in and it will immediately shoot to \$3B marketcap. Free money grab for everyone and it resolves all Bitcoin deadlock. Win-Win."*

While some of the group members sought to clarify that Ethereum is the forked while Ethereum Classic continues to mine the original unchanged Blockchain, others raised several technical issues as part of their consideration to justify their stance in support of, or against the proposed move.

caveden (<https://www.reddit.com/user/caveden>) says the call has been going on for a

while. [https://m.reddit.com/r/btc/comments/46rgd9/an\\_important\\_message\\_to\\_the\\_main\\_Wallets](https://m.reddit.com/r/btc/comments/46rgd9/an_important_message_to_the_main_Wallets)

([https://www.reddit.com/r/btc/comments/46rgd9/an\\_important\\_message\\_to\\_the\\_main\\_wallets\\_](https://www.reddit.com/r/btc/comments/46rgd9/an_important_message_to_the_main_wallets_))

Noosterdam (<https://www.reddit.com/user/Noosterdam>) suggested that there would be a need to change the PoW algorithm to enforce the fork which entails friction and requires that "a substantial number of people judge that deadweight loss due to 1MB is greater than that friction." The writer says this should be "somewhat soonish, assuming Core doesn't make a move in the meantime."

DanielWilc (<https://www.reddit.com/user/DanielWilc>) who claims to be a small blocker thinks there is nothing wrong with the fork as a right just as core devs too have the right not to promote or run or write hard-fork code.

But BitcoinFuturist (<https://www.reddit.com/user/BitcoinFuturist>) replied:

*"Difficulty algorithm is different in Bitcoin so what works for Ethereum will not work for Bitcoin. Also, it is yet to be seen that ETHC can survive. I'd put money on it being both 51% attacked and also have its price driven into the ground within the next 2 weeks. Exactly the same as would happen to a Bitcoin minority fork. It is simply not worth forking without the majority of miners and users on board."*

Capt\_Roger\_Murdock ([https://www.reddit.com/user/Capt\\_Roger\\_Murdock](https://www.reddit.com/user/Capt_Roger_Murdock)) added that the idea is ill-advised and urged the group to consider that the differences which led to the fork with ETHc / ETH were truly 'irreconcilable' as the dispute over whether to roll back those transactions couldn't be deferred. The writer stated:

*"People have been pointing out that we'd need to raise the block size limit for years, but the 1-MB limit has only started to actually matter over the last few months as transactional demand has finally started to butt up against it. But it's still probably not doing that much damage. ([https://www.reddit.com/r/btc/comments/49rxd3/10000\\_per\\_day\\_estimating\\_the\\_current\\_deadweight/](https://www.reddit.com/r/btc/comments/49rxd3/10000_per_day_estimating_the_current_deadweight/)) So I think patience is still in order. I agree with /u/ydtm (<https://www.reddit.com/u/ydtm>)'s assessment when he says:*

*I think the Berlin Wall Principle will end up applying to Blockstream as well: (1) The Berlin Wall took longer than everyone expected to come tumbling down. (2) When it did finally come tumbling down, it happened faster than anyone expected (ie, in a matter of days) - and everyone was shocked."*

trancephorm (<https://www.reddit.com/user/trancephorm>) concluded that ETC is going down the drain or become obscured as a coin with a very low market cap which is not much related to the BTC case. The writer says a HF may work if they could reach say 30% with Classic.

👉 Bitcoin (/tags/bitcoin)      📈 Ethereum (/tags/ethereum)

👉 Bitcoin Community (/tags/bitcoin-community)

Comments

Author Joël Valenzuela

2016-07-24 04:20 PM

## What if Bernie Sanders Had Raised Money for Blockchain Startups Instead

2130 Total views

431 Total shares



Bernie Sanders led an impressive campaign run mostly off of small donations, though he failed to help the poor. If he had invested that money in cryptocurrency, the world would be a much better place.

### Sanders' campaign contributed to Google, Facebook and Verizon

Bernie Sanders, US presidential candidate for the Democratic Party's nomination and favorite of the poor and equality-centered, failed to defeat his rival Hillary Clinton, long painted as the Wall Street candidate.

However, during the course of his campaign Sanders did amass a large sum in excess of \$200 million (<http://www.ibtimes.com/how-bernie-sanders-changed-democratic-fundraising-beating-hillary-clintons-total-2379240>), mostly from small donors seeking a more economically-just society.

However, effort may have had the opposite effect intended. As it is, the vast majority of funds raised by Sanders ended up being spent by the campaign (<http://fortune.com/2016/05/12/bernie-sanders-fundraising-donations-spent/>), for operating costs such as food, travel, lodging, and advertisements. This has ended up meaning a vast wealth redistribution to large corporations from which the campaign bought services, including some of the world's largest corporations like Google, Facebook, Comcast, and Verizon.

What if, instead of running an ultimately failed presidential campaign, Bernie Sanders had raised that \$200 million to invest in cryptocurrency and blockchain startups?

### What \$200 million looks like in the Bitcoin world

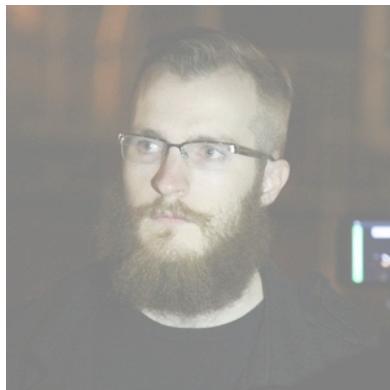
The amount of money raised by Bernie Sanders ranks significant in the relatively new world of cryptocurrency. At a total market cap (<http://coinmarketcap.com/charts/>) of around \$13 billion, with a record high of just under \$16 billion, a number in the hundreds of millions could send significant ripples through the cryptocurrency world.

The funds accrued by the Sanders campaign could have bought the entire supply of all cryptocurrencies excluding the top 25 (<http://coinmarketcap.com/>), or entirely bought out any cryptocurrency not including the top four (Bitcoin, Ethereum, Steem, and Ripple). Additionally, if thrown directly into the king of cryptocurrency, that sum would have been able to purchase over 300,000 Bitcoins. This would be enough to give every single member of a small nation like Iceland or Belize a whole Bitcoin, or give every citizen of Burundi, consistently ranked among the three poorest countries in the world, 30 Bitcoins each.

### Blockchain entrepreneurs on what \$200 million could do

Several entrepreneurs working in cryptocurrency, blockchain technology, and decentralized applications weighed in on how they would use the amount of money raised by the Sanders campaign. Christopher David, CEO of ride-sharing app Arcade City, sees limitless potential for the funding.

*"Overkill. The perfect app. We'd conquer the world, have millions of people using Bitcoin etc. Even 20 million and we'd encircle the world easy."*



Mike Vine, Technology Evangelist for decentralized blockchain-based content-sharing platform LBRY, thinks such an investment would be able to topple media corporations and restore power over online content to the people.

*"With \$200 million, we would reshape content delivery across the internet – dramatically lowering costs to host and purchase movies, music, software, ebooks, and more. With that level of investment, we could confidently take on the corporate titans who tightly control media distribution today. We would truly put power back in the hands of everyday people – what Bernie claimed he wanted to do."*

For Robert Genito, CEO of peer-to-peer Bitcoin exchange Wall of Coins, \$200 million would be able to help the world in many ways, including feeding the hungry.

*"Oh jeez, can't you feed like 1 billion people for a day? Or plant an orchard of fruit trees to feed communities around the world for free?"*

In the realm of cryptocurrency, Genito sees an investment of the size of the Sanders campaign war chest as able to bring cryptocurrency adoption to the masses several times over.

*"Well, I believe we can bring create an ecosystem that brings everyone off fiat with less than \$10m. And we have a 90 page business plan explaining how we have done it, are doing it now, and will accelerate it in the future."*

❖ BlockChain (/tags/blockchain) ❖ Startups (/tags/startups)

❖ Bernie Sanders (/tags/bernie-sanders) ❖ Google (/tags/google)

❖ Facebook (/tags/facebook) ❖ Politics (/tags/politics)

Comments

Author Joseph Young

2016-07-24 12:10 PM

## Realm of Ethereum Splits into Two Coins; Volume & Hashrate of ETC Surges

4407 Total views

183 Total shares



The controversial debate over the justification of the Ethereum network's hard fork immediately led to the creation of Ethereum Classic, an alternative project developed to maintain the original non-forked chain of Ethereum.

#### Ethereum hard fork outcome

July 20, Ethereum completed its first hard fork to recover approximately 12 million ETH drained from the DAO by an unknown hacker, due to the underlying vulnerabilities and bugs of the DAO protocol.

The successful completion of the hard fork was celebrated and praised by the majority of the Ethereum community, but was heavily criticized by Bitcoin developers and experts, including Greg Maxwell, who believed that the hard fork had set a negative precedent by harming the reputation of cryptocurrencies in general.

#### Poloniex supports ETC

While most of the community and Ethereum developers failed to acknowledge the significance of Ethereum Classic (<https://ethereumclassic.github.io/>), the original Ethereum chain began to receive support from various exchanges and miners, one of which was Poloniex.

Growing support from Poloniex and the community prompted a substantial number of miners to remain on the non-forked chain, allowing Ethereum Classic to double its hashrate in a matter of hours.

 **Alistair Milne**  
@alistairmilne

 Follow

Ethereum Classic mining hashrate has doubled in less than 3 hours

5:23 AM - 24 Jul 2016

4 9 10

The rapid surge in Ethereum Classic's hashrate meant that previously threatening statement from Chandler Guo, to launch a 51% attack on Ethereum Classic, lost its significance.

On the day of the announcement of Poloniex, Guo announced (<http://i.imgur.com/yuluykp.png>), "I am Chandler Guo, a 51% attack on Ethereum Classic (ETC) is coming with my 98G hashrate. This is roughly 3 times of current ETC nework hashrate. This is an action to against Poloniex's decision to support ETC."

However, hours after Guo's statement was released, the hashrate of Ethereum Classic spiked, eliminating the possibility of a 51% of Guo's 98G hashrate.

**Jack Sparrow**

@jackfru1t

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Ethereum Classic trading at over \$1. Over 1/10th the price of #ethereum, with a marketcap over \$100million. Not bad for something worthless.

2:23 AM - 24 Jul 2016

20 49

Throughout the controversial arguments between developers, miners, and organizations, Ethereum Classic remained unflustered, stating (<https://twitter.com/EthereumClassic/status/757116091336273920>), "let the community decide which blockchain has integrity, let this be proof for future cryptos not to mess with the chain."

**dark pill**

@DanDarkPill

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#Ethereum Classic team celebrates successful hard-fork.

6:50 AM - 24 Jul 2016

12 14

[Ethereum \(/tags/ethereum\)](#)[Altcoin \(/tags/altcoin\)](#)[Hard Fork \(/tags/hard-fork\)](#)[Poloniex \(/tags/poloniex\)](#)

## Comments

Author lyke Aru

2016-07-23 01:30 PM

## Blockchain Based NetCents and PayPal Integration Takes Off, Beta Testing is On

992 Total views

185 Total shares



Online payment platform, focused on capturing the migration from cash to digital currency by utilizing innovative blockchain technology to provide payment solutions, NetCents has announced the launch of its newly updated Enterprise Solutions Payment Gateway.

### All-in-one payments platform

The company has also commenced its beta testing on its Payment Gateway platform, a streamlined, e-commerce application that processes and authorizes secure credit card transactions, in both digital and traditional fiat currency, as well as PayPal (<https://www.paypal.com/ru/webapps/mpp/home>) and Apple Pay for merchants.

According to the announcement, once beta testing is complete, the Company's comprehensive platform will be available for integration for both merchants and service providers, delivering an efficient, universal plug-and-play merchant

API for businesses to securely accept digital payments.

## Ad

Initially, NetCents will onboard ecommerce gateways that wish to be early adopters of integrating digital currencies to their platforms. The Company's Payment Gateway will first be made available to a selected group of ecommerce sites doing a minimum of two million transactions a day.

Clayton Moore, CEO and founder of NetCents, says:

*"Our comprehensive digital currency platform streamlines merchant processing and consumer payments. Our system reduces fees while providing ample space for emerging and existing companies to evolve with the least amount of growing pains. With our banking and exchange relationships, we have simplified the consumer process and removed the complexity for merchant integrations."*

NetCents claims to work with financial partners, mobile operators, exchanges and more, to streamline the user experience of transacting online. NetCents also claims that its technology is integrated into the Automated Clearing House ([https://www.fiscal.treasury.gov/fsservices/instit/pmt/ach/ach\\_home.htm](https://www.fiscal.treasury.gov/fsservices/instit/pmt/ach/ach_home.htm)) ("ACH"), which ensures consumer's security and privacy.

◆ [BlockChain \(/tags/blockchain\)](#) ◆ [PayPal \(/tags/paypal\)](#)

◆ [Payments \(/tags/payments\)](#) ◆ [Integration \(/tags/integration\)](#)

## Comments

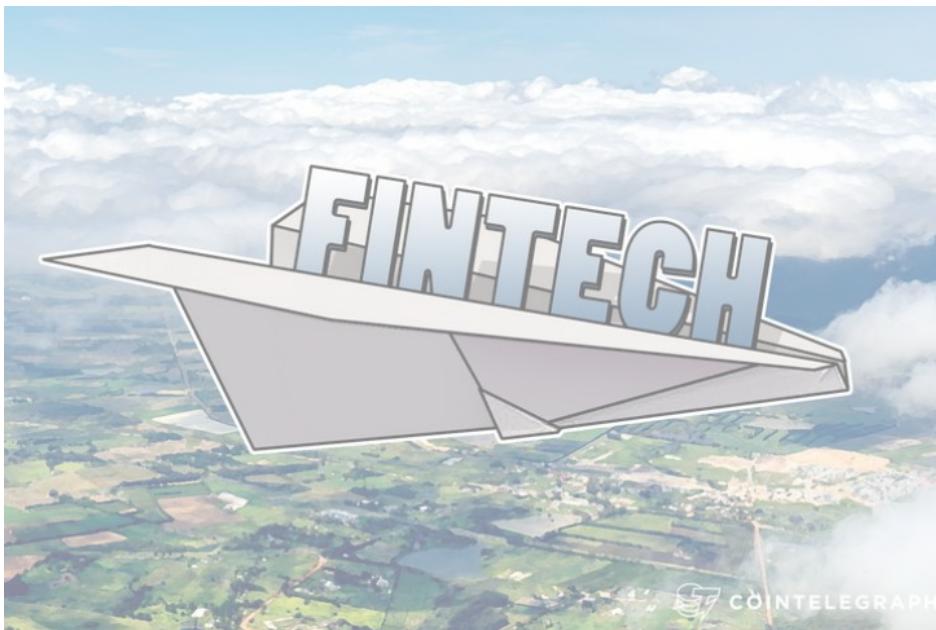
Author Shivdeep Dhaliwal

2016-07-22 04:30 PM

## Fintech-Savvy Travel Businesses Advance Using B2B Wallet to Compete

740 Total views

121 Total shares



Fintech has already made its mark in banking, insurance and several other sectors. Now the time has come for Financial technology to spur new approaches especially in the Business to Business (b2b) segment. Travel agencies can use Fintech to streamline their systems and build more efficiencies.

### Travel Business can boom with Fintech

Technology has already changed how we travel around the world. Gone are the days of paper tickets and in most cases boarding passes. Online booking portals have already made it possible for travellers to comparison shop from the comfort of their own homes. Innovation in mobile technology means that we can get a ticket anywhere while on the move at any time. Some of the greatest innovations in travel technology have been in the way we pay for our travel. While in the past the only way to get a ticket was to actually walk into a travel agency and pay for the ticket with cash, check or a card, today we simply make electronic payments with ease.

### Amadeus: High Volumes and Low Margins

Amadeus (<http://www.amadeus.com/>) is a travel technology giant which operates in 195 countries and is known for investing in innovative areas especially in Research and Development (R&D). Recently Amadeus announced that they would be partnering with MasterCard (<http://www.mastercard.com/global/>) and Ixaris (<http://www.ixaris.com>) to bring a B2B wallet prepaid product to the market.

The travel business is fiercely competitive and Amadeus and its partners are using their B2B wallet approach to cut costs. Amadeus' Celia Pereiro, Head of Travel payments said in a press release ([http://www.amadeus.com/web/amadeus/en\\_US-US/Amadeus-Home/News-and-events/News/070716\\_Amadeus-partners-with-](http://www.amadeus.com/web/amadeus/en_US-US/Amadeus-Home/News-and-events/News/070716_Amadeus-partners-with-)

MasterCard/1259071352352-Page-AMAD\_DetailPpal?assetid=1319685867781&assettype=PressRelease\_C) regarding the demand for such products:

*"By combining the strengths of Amadeus, MasterCard and Ixaris, we bring flexibility, efficiency and confidence to travel agent B2B payments. Since we launched the product in February we have seen overwhelming demand for it and today have customers in 10 European countries."*

We at Cointelegraph talked with Alex Mifsud, Founder and CEO of Ixaris Technologies, the partner of Amadeus in the B2B wallet and he says:

*"Online travel is a dynamic and fiercely competitive market with high volumes and low margins. With supplier networks that span the globe - including hotels, airlines, and cruise operators - the complexity and costs of payments is high which eats into already thin margins."*

### Fintech will help drive costs down

Amadeus has already announced the release of its B2B product in February and is now offering travel agencies the option of either saving cash or earning while paying their travel provider partners. Hany Fam of Mastercard Enterprise said in an Amadeus press release

([http://www.amadeus.com/web/amadeus/en\\_US-US/Amadeus-Home/News-and-events/News/070716\\_Amadeus-partners-with-MasterCard/1259071352352-Page-AMAD\\_DetailPpal?assetid=1319685867781&assettype=PressRelease\\_C](http://www.amadeus.com/web/amadeus/en_US-US/Amadeus-Home/News-and-events/News/070716_Amadeus-partners-with-MasterCard/1259071352352-Page-AMAD_DetailPpal?assetid=1319685867781&assettype=PressRelease_C)) that the B2B product has given travel agencies 'host of reasons' to leave cash, check and other payment mechanisms behind.

We asked Alex Mifsud about how Fintech can help the travel industry and he remarked:

*"Fintech, and payments tech in particular, is playing an important role in driving growth and improving margins for many online travel businesses. Optimising payments through technology, such as we've just announced with Amadeus, has the potential to reduce payment-related costs - which can amount to 20% of profit margins - to near zero, bringing a welcome boost to an OTA's profitability."*

It seems what has already happened in the Business to Consumer sector in the travel business is now playing out in the B2B sector. If travel agencies can cut their payments costs, they are able to actually earn more in an industry where margins are razor thin. Fintech has a special role to play here and the B2B wallet product offered by Amadeus and its partners is an interesting offering to watch out for. Rest assured no one needs checks - for anything.

## Travel industry impact

The travel industry has a huge impact on the world economy. In 2015 travel and tourism contributed a total of US\$ 7.2 trillion to the world's GDP which is nearly 9.8 per cent of the global GDP according to a report ([http://www.wttc.org/-/media/files/reports/economic-impact-research/2016-documents/economic-impact-summary-2016\\_a4-web.pdf](http://www.wttc.org/-/media/files/reports/economic-impact-research/2016-documents/economic-impact-summary-2016_a4-web.pdf)) published by World Travel and Tourism Council (WTTC). This sector is poised to outperform the rest of the global economy in all of the next decade and will grow at a projected 4 percent on average annually. The growth in 2015 alone was at 3.1 per cent and we have been in the 6th positive year of growth for the industry. 1 out of every 11 people work in the travel and tourism business.

◆ [BlockChain \(/tags/blockchain\)](#) ◆ [Travel \(/tags/travel\)](#)

◆ [Wallet \(/tags/wallet\)](#)

Comments

Author Alisa Tciriulnikova

2016-07-22 03:15 PM

## PSD2: German Regulator and Banks Are Not Happy With Each Other

899 Total views

208 Total shares



The upcoming introduction of the revised Payment Services Directive (PSD2) is expected to transform the European payment industry. It has already created a turbulence, because the effects for all industry players are somewhat controversial.

PSD2 is designed to improve consumer protection and competition, and drive innovation. The legislation is aimed at offering a wider scope to cover new payment services and features, and mandates banks to open their infrastructures, provide customer account access to third-party payment providers, transparency of payment charges and strong customer authentication for all electronic transactions.

### **Shaking up payments industry**

A misunderstanding occurred between German regulator Bundeskartellamt (The Federal Cartel Office, state national competition regulator) and country's banking industry.

German banks were indicated to violate German and European competition law by placing restrictions on non-bank payment services.

The Bundeskartellamt stated that country's banks are enforcing 'special condition for online banking' meaning that customers cannot use their personal security credentials in non-bank payment systems. This measure was found to be significantly hindering the use of non-bank online payment systems which are often lower-priced.

The banks argued that their rules were introduced to secure their customers' online payments, and that it is by no means an attempt to put up barriers for competing payment services.

It might seem as a fair argument, as consumers are providing their banking security credentials to initiate payments, and banks here are only trying to protect their customers against fraudsters.

We all know that it doesn't take much to steal private information through phishing sites.

The authority, however, has dismissed this statement saying that these rules cannot be considered as a necessary part of a consistent security concept of the banks and they impede non-bank competitors.

### **Playing it blindfolded**

Despite years of negotiations the PSD2 legislation still appears rather confusing and the January 2018 deadline for its implementation is stifling market progress. Market participants cannot plan innovative products and services, and take on concrete steps to establish partnerships, because they are uncertain of what is going to be allowed and on what conditions.

Banks are only starting to understand the potential benefits of the implemented directive deciding on what approach to follow. Some are ready to embrace this opportunity for collaboration and innovation by willingly opening up their infrastructure, while others take on self-defense tactics.

### **Costs may be passed on to consumers**

It is often argued that there's no commercial incentives for banks around PSD2. In addition to making huge investments to open up their systems, banks will have to make a large amount of operational changes around pricing transparency, authentication and liability. While being forced to rebuild their systems, they would not be able to make investments to boost innovation.

Sad news - they wouldn't even be able to recoup the costs, as PSD2 prohibits banks from charging third parties for access granted to them. So, third parties will be enjoying all the benefits at no costs. There's a possibility that these costs might be eventually passed to consumers.

Regulators inspired by sound clauses of PSD2 is taking steps towards moving to a more open and accessible payments landscape.

However, the initiatives might result in exactly the opposite - creating a fragmented and complicated industry. Implementing a regulatory and legislative change can be a challenging process, but it tends to be easier the sooner participants engage to this process. While the framework offered by PSD2 still appears to be benign, banks and authorities have to take the chance to influence the way ahead.

➔ [PSD2 \(/tags/psd2\)](#)

➔ [Germany \(/tags/germany\)](#)

➔ [Banks \(/tags/banks\)](#)

➔ [EU \(/tags/eu\)](#)

➔ [Law \(/tags/law\)](#)

➔ [Regulations \(/tags/regulations\)](#)

Comments

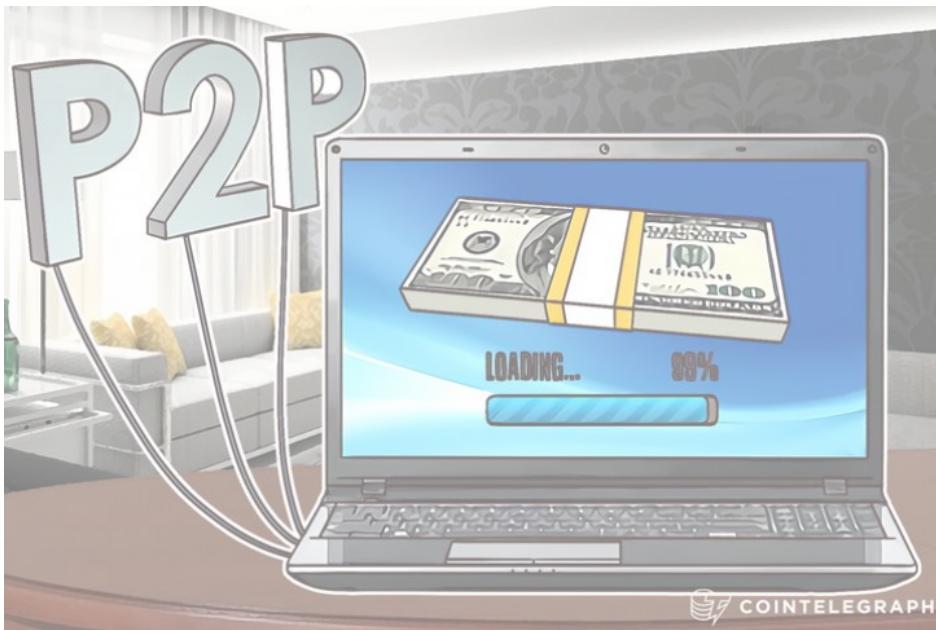
Author Joseph Young

2016-07-22 12:05 PM

## Latest FinTech Trend: Decentralized Blockchain Peer-to-Peer Lending

2047 Total views

444 Total shares



The digitalization of money and the innovative reinvention of its transfer through newly introduced technologies like the blockchain technology has marked the beginning of a new financial era; generation of peer-to-peer transactions and financial networks.

In that, peer-to-peer lending is becoming a FinTech trend (<http://tech.co/peer-peer-lending-hot-fintech-trend-2016-07>) in both the blockchain and FinTech market.

### **More options for low-tier entrepreneurs and employees**

Over the past few years, after the introduction of the blockchain technology and its wide range of use cases, entrepreneurs and FinTech startups have begun looking into the possibility of implementing the technology into platforms that could grant the underbanked users access to funds.

The way banks collaborate with investors to lend money to an average person is fairly transparent. Thus, the fact that this traditional method takes advantage of poor people is familiar, because of the banks' business model of providing a solid return to their investors.

Economically and conceptually, this model of banks have worked against top-tier or high class investors, because of the beneficial returns they have received.

However, this meant that low-tier entrepreneurs, employees, and other individuals that are looking to loan money from banks are limited with their options.

### **Venture capital starts coming in**

The birth of FinTech, Bitcoin, and the blockchain technology has begun to revolutionize and disrupt this tradition of loaning and recently, this has become a trend in many countries.

Since the beginning of 2016, a number of blockchain and FinTech startups have received venture capital funding and attention from financial investors because of their business model of offering opportunities to average people to loan money, while still providing the same advantages investors received by funding or granting banks with their money.

Companies like easyMarkets, and MarketInvoice, which received millions of dollars in funding in the past week, to provide methods for businesses and entrepreneurs a way to access funds without having to deal with the complex settlements and processes of banks.

MarketInvoice for instance, has achieved a market share of around 13% in the P2P alternative financing market, growing rapidly in their industry.

Their growth led to a surge in interest in investors, enabling the company to secure a US\$10 million funding round

(<http://www.forbes.com/sites/rogeraitken/2016/07/19/fintech-marketinvoice-attracts-10m-in-first-p2p-lender-major-fundraise-post-brexit/#1bcb3a5e5322>) earlier this week.

With investors and entrepreneurs gearing towards P2P lending, a new FinTech trend may be set, especially in financial hubs including London, and New York.

◆ [BlockChain \(/tags/blockchain\)](#)

◆ [Decentralization \(/tags/decentralization\)](#)

◆ [P2P \(/tags/p2p\)](#)

Comments

Author Amelia Tomasicchio

2016-07-22 10:45 AM

## How to Monetize Content Using Blockchain Platforms

1927 Total views

419 Total shares



It is a common knowledge that Bitcoin and digital currencies allow a new kind of payment experience, thanks to microtransactions.

In fact, if credit cards, bank transfers and other traditional methods of payment are difficult to manage and have high fees, Bitcoin simplifies any transfer of value, as you only need a wallet and an email address.

Also, thanks to its eight decimals, Bitcoin allows microtransactions and lower fees.

This is the main reason why Bitcoin is called the Internet of Money and is very useful to pay for online content, such as images, articles and music.

### Sending tips through PayMeabit

When you read an interesting and insightful piece of content on Facebook or Instagram all you can do is leave a "like" or a comment. But you cannot give a tip to the author.

All the contents can be shared for free without any reward for the creator.

To solve this "incorrect" behavior, back in 2004 Italian entrepreneurs Mauro Pili, Sergio Masala and Nando Oggiano created PayMeabit (<http://www.paymeabit.com/>), a new social network where everything has a value in bit, a very small fraction of Bitcoin.

PayMeabit was the only one Italian startup to be awarded by NexusLab (<http://www.nexussquared.co/services/nexuslab/>), a blockchain-related platform that provides business coaching services and consulting.

Behind the company name, of course, there is a funny word pun referred to a little payment "a bit" and the Bitcoin fraction called "bit".

The Paymeabit platform allows users to create contents or share them and receive a "bit" (its value is less than a cent, at the moment) instead of a simple "like" on Facebook.

Of course the main question we asked ourselves was: Why would a user pay for contents that can be found for free?

We asked this to Luigi Angotzi, growth hacker at PayMeaBit.

*"The analysis we did showed that online contents can be divided into two main categories: news and general information, which are abundant on the Internet, free of charge, and for which users are not willing to pay.*

*However, there is a second category of contents: insights, analysis, responses to particular needs that users are willing to pay as long as the amounts are reasonably low, and solve specific needs.*

*Paymeabit wants to allow users to offer such contents through an easy platform, where - in addition to the "buying" option - may also be present a small tip. Offering the possibility of sending tips and leaving comments in the same way, we got to see how value transfers become easy and generate a stream of micropayments among users who are both consumers and content creators".*

Of course Cointelegraph tested this service and we found it very user-friendly with a simple interface. And we received 2 bits. (Thanks!).

### Decentralized sharing platform: LBRY vs YouTube

Speaking about decentralized sharing platforms, it is impossible not to mention LBRY (<https://cointelegraph.com/news/lbry-the-lovechild-of-bitcoin-bittorrent-storj>), founded back in 2004 by Jeremy Kauffman and Jimmy Kiselak.

On the LBRY open source platform you can share, read and hear contents with the possibility to monetize your online creations, as it is a digital marketplace controlled by users, similar to Megaupload and BitTorrent.

Similar also to YouTube, LBRY however doesn't allow third-party advertising or pre-rolls and you can buy content or watch it for free, as decided by the authors.

► BlockChain (/tags/blockchain)

► PayMeaBit (/tags/paymeabit)

► LBRY (/tags/lbry)

► Youtube (/tags/youtube)

Comments

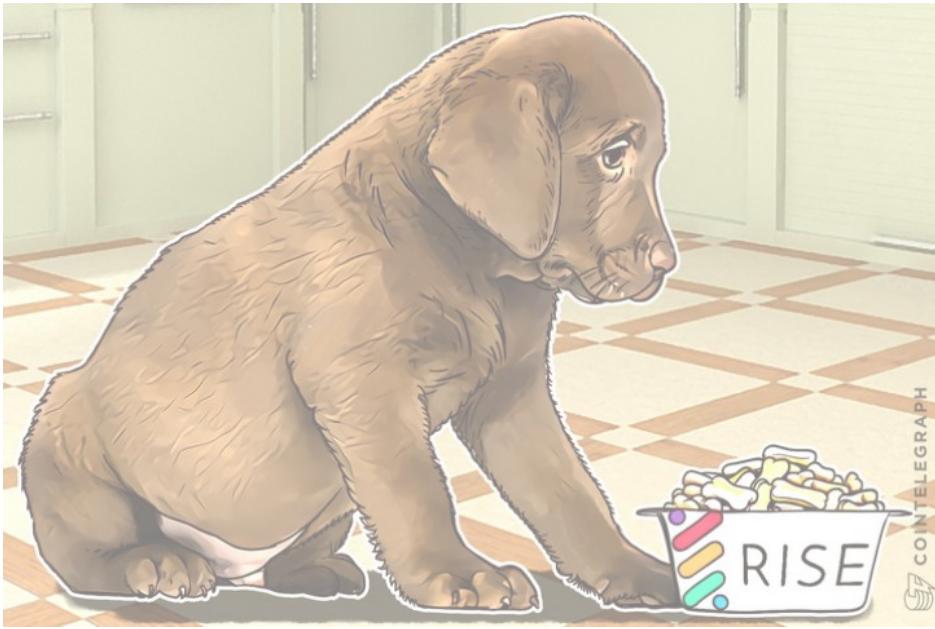
Author Andrew Marshall

2016-07-21 05:00 PM

## New DAPP Platform Rise Aims At Being Most User-Friendly

1436 Total views

188 Total shares



Rise (<https://rise.vision/>), a decentralized application and investment platform, has closed its ICO campaign on June 24, and is now on the road to becoming one of the most secure and user-friendly DAPP platforms out there.

### DApp platforms going mainstream

The success of Ethereum (<http://cointelegraph.com/ethereum-for-beginners/what-is-ethereum>) as the largest Blockchain-as-a-Service platform so far have lead to the appearance of many similar projects.

The idea of a tool which would allow any user to develop their own decentralized application working on a Blockchain is becoming more and more popular with each month; projects such as Lisk (<http://cointelegraph.com/news/lisk-to-move-developers-from-blockchain-to-sidechain>) and Ardor (<http://cointelegraph.com/news/ardor-new-competitor-to-ethereum-arises-amidst-reports-of-the-dao-attack>) are a testament to that.

### Enter Rise

Rise is a Lisk-based cryptocurrency (<http://coinmarketcap.com/currencies/rise/>) and distributed application platform that's been flying kind of under the radar so far. Despite not being reported by any major cryptocurrency news outlets, it has managed to secure an impressive \$1.11 million in its ICO (<https://rise.vision/blog/post/results-of-a-successful-initial-coin-offering>), which was closed less than two weeks ago.

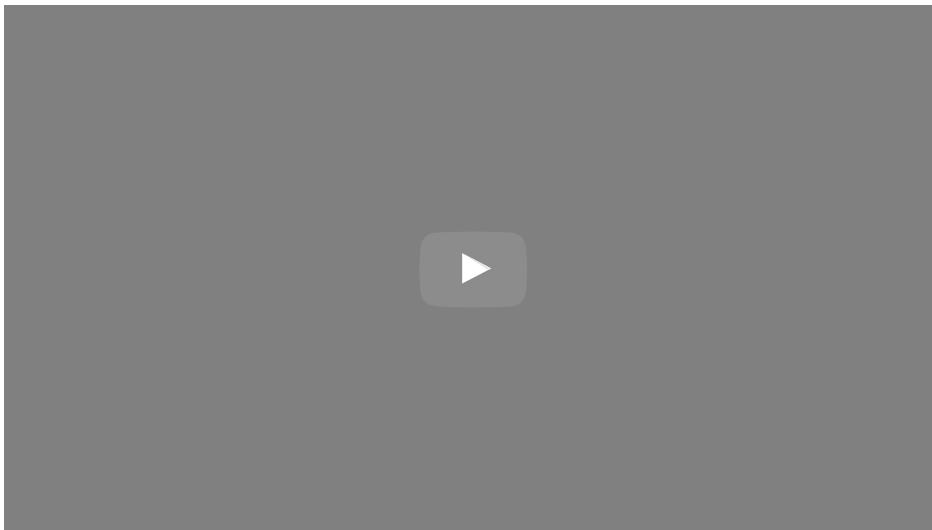
Based on that success, the team behind Rise plans to develop a highly secure and the most user-friendly decentralized application platform.

According to their White Paper (<https://risevisionfoundation.atlassian.net/wiki/display/RC/Technical+White+Paper>), Rise is to hire a dedicated vulnerability analyst, and work continuously

with Node Security Project (the app's backend is developed using Node.js) among just a few of the measures in place to ensure as high security as possible.

## A tool for everyone

However, the main advantage of the new platform arguably lies elsewhere: it's going to have a simple drag and drop GUI for the development of its DAPPs. That allows basically anyone to create their own decentralized application, as opposed to, for example, Ethereum, which requires the developers to know its internal programming language, Solidity  
(<https://github.com/ethereum/wiki/wiki/The-Solidity-Programming-Language>).



- Rise Introductory Video

That accessibility does not come at the expense of some of the more demanding users, however: Rise will still provide an opportunity to code DAPPs directly in many programming languages - in fact, any language that can run on Linux and consume APIs is available  
(<https://risevisionfoundation.atlassian.net/wiki/display/RC/Technical+White+Paper#TechnicalWhitePaper-KeyInnovationFactors>).

In an industry heavily oriented towards professional software engineers and cryptocurrency geeks, Rise wants to represent an opportunity for people from many other walks of life to participate in an overarching trend of decentralization, which seems to be upon us.

Cointelegraph has contacted the Lead Developer of Rise, Justin Donnaruma, in order to ask him about the project:

**Cointelegraph: What are the Rise's team's prior experiences? Have any of you participated in major cryptocurrency projects before?**

**Justin Donnaruma:** Steven Remington and myself built a small mining company back in 2013. We did pretty well, right up until the big collapse. Even sold a couple of miners. That was my only major project in cryptocurrency, though building a dashboard for the minors was quite the challenge.

Outside of that, I have worked in two major capacities. I was Director of Cyber Intelligence Operations for SIROAL International for approximately 3 years. That entailed everything from open source intelligence gathering, using custom

built tools, to vulnerability analysis and exploit development, even Red-team operations for clients.

Most recently, I was the lead developer of the Tools and Technology team at Carbonite, Inc. That entailed designing system architecture for new tools that needed to be built, scoping work items for time / size estimates, and developing the solutions. There were a few I developed before starting to build a team there, specifically the Knowledge base. That is a public site that handles a significant portion of Carbonite's client traffic in a month. After another couple developers were brought on board, we built a bunch of internal tools, including some complex Quality Assurance tooling for managing Technical Support agent performance across phone, email, and chat.

Steve's experience is more in networking and affiliate marketing where he has worked with many companies - including a multi-million dollar golf simulation company - to generate sales by offering incentive type programs.

**CT: Do you expect to have to make compromises, in order to achieve the high degree of security that is promised in your White Paper?**

**JD:** I do expect to make some compromises. That is nearly always the case with security systems. The APIs we have right now are somewhat limited, and that will likely not change. We are still architecting how the hosting platform will function, and we will likely have some more announcements on that front in the coming weeks.

**CT: How limiting will the DAPP GUI be? Will users be able to develop any kind of app in it, or will more complex projects still require them to learn a programming language?**

**JD:** Our MVP that will be released for testing will likely be somewhat limited, we will need to get the design out there to get feedback on how it functions and how good the User Experience is before getting into the more complicated features of the GUI.

Ideally, there will be two modes, a basic one, with nearly complete components that will aid in speeding development, providing the basics for any application, with minimal customization and a large number of predefined opinions.

Then an advanced mode where you are basically given blocks that are the basics of all languages (conditional statements, methods to control flow of the application, and the individual API calls with their options) and you put them together. Customizable JSON object components and an API call function to be able to reference third party services, etc. This mode would require the ability to think logically, but that would be it. Each block will have built in documentation with examples on how to use it, so even a beginner should be able to pick it up without too much effort.

**CT: Are there any other characteristics Rise prides itself on, other than security and ease of use?**

**JD:** Even above those, we want to bring people together, and give them options to control their own futures. Right now, Cryptocurrency is fragmented, and unstable. We hope to be able to provide some stable, common ground, where all of cryptocurrency can come together. It's going to be a long, hard road, but I think we can make that happen. We have a few ideas that we aren't ready to share quite yet that will radically change our position in the marketplace.

**CT: What do you expect the DAPP industry to look like in two years? Ten?**

**JD:** I expect, if we succeed in making the tools easy to use, and find some legitimate use cases for them, then we will see an explosion in the DApp industry in 2-5 years. For the next two years, it will be slow, until people start figuring out how to integrate the technology into their lives and businesses.

❖ DApp (/tags/dapp)

❖ Ethereum (/tags/ethereum)

❖ BlockChain (/tags/blockchain)

Comments

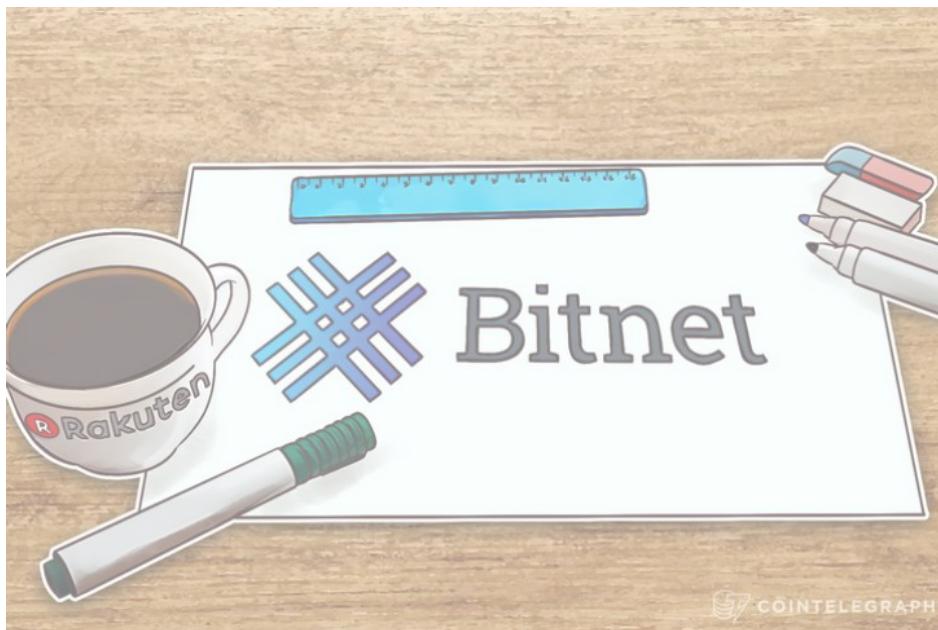
Author Angus Leung

2016-07-21 12:00 PM

## Rakuten Sizes Up BitNet To Build Blockchain-Based Loyalty Program

974 Total views

187 Total shares



Tokyo-based e-commerce company Rakuten (<http://global.rakuten.com/en/index-b.html>), is planning to acquire the intellectual property assets of Bitcoin payment processor, BitNet (<https://bitnet.io/>).

Rakuten Inc, has already started to negotiate with the California-based company to purchase BitNet's various intellectual properties. Potentially for its blockchain digital asset management, payment and B2B cross-border

remittance services which will allow the e-commerce business to experiment and modify services to better fit its e-commerce needs.

According to the Wall Street Journal (<http://www.wsj.com/articles/japans-rakuten-in-talks-to-buy-assets-of-bitcoin-startup-bitnet-1468615758>), it is believed that Rakuten might be using BitNet's IP assets to develop and test blockchain technologies. This might mean the exit of BitNet Technologies from the Bitcoin payment service industry since the company is heavily involved with blockchain R&D.

To date, both Rakuten and BitNet do not wish to comment on the deal. Also, there has been no indication whether the two companies have negotiated what is to be acquired or if they have closed the deal.

### **BitPay and BitNet have a difficulty competing**

BitNet itself has mainly made services tailored towards e-businesses while competitors such as Coinbase and BitPay invite any merchant to use their service which sets BitNet apart. With services such as Digital Asset Management, this can allow Rakuten to create a blockchain-based loyalty program. Which can mean both a faster and safer than a standard point-based loyalty program.

Ever since Rakuten announced in March 2015 that they will be using BitNet's Bitcoin payment gateway to accept Bitcoin, they have slowly grown an interest in the payment processor. Including investing in a Series A funding round (<https://www.crunchbase.com/funding-round/91996ac83c4e72727610a1428aea814a>) to gain a stake in the company back in 2014.

As more Bitcoin payment processors become available, existing services such as BitPay and BitNet have already experienced higher difficulty competing since the growth rate has slowed down for companies in the industry. This is suspected to be caused by the uncertainty of many businesses to use digital currencies as a payment option due to negative news and volatility. Also, with altcoin payment service, CoinPayments already being adopted by many merchants, rival Bitcoin payment services risk losing loyal merchants.

◆ [Rakuten \(/tags/rakuten\)](#)

◆ [Bitnet \(/tags/bitnet\)](#)

◆ [Japan \(/tags/japan\)](#)

◆ [BlockChain \(/tags/blockchain\)](#)

◆ [BitPay \(/tags/bitpay\)](#)

Comments

Author Shivdeep Dhaliwal

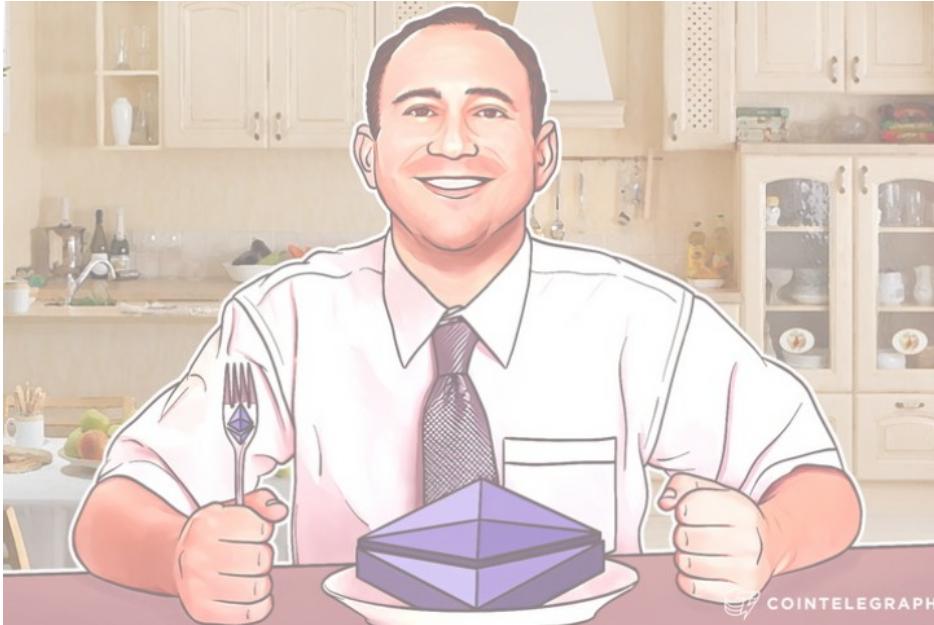
2016-07-20 03:50 PM

## **Ethereum Foundation Co-Founder Taylor**

# Gerring: Hard Fork Will Make Network More Resilient

1495 Total views

169 Total shares



On the eve of the hard fork scheduled for 20-21 July, we interviewed Taylor Gerring, one of co-founders of Ethereum Foundation.

He has also served on the Board of Directors for Ethereum Foundation and is currently an International Speaker and Blockchain Consultant

## CT: Why Ethereum?

**Taylor Gerring:** The name Ethereum comes from the game World of Warcraft. In that game, there is a zone called Netherstorm with several references to "Ethereum". You can see this reflected on Google Trends, where a search for Ethereum shows a bump around 2007. By comparison, today's search volume for Ethereum the blockchain technology easily outpaces the temporary game curiosity.

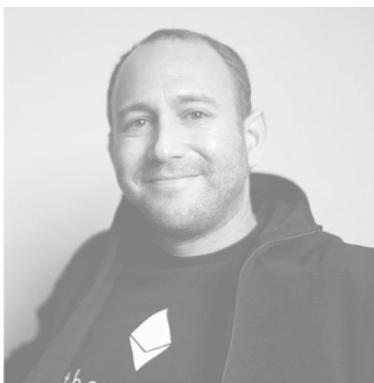
## CT: What do you think of the hard forking solution to The DAO incident. Are we more secure today?

**TG:** For me, the primary concern for blockchains should be "does this help us achieve a greater audience"?

Marketing, branding, and community sentiment play into this more than most technologists would like to admit, but at the end of the day, we have to attract eyeballs and mindshare to push blockchains into global consciousness.

Although there's a bit of a chicken-and-egg problem with adoption and scaling of blockchains, multiple goals can be sought in parallel, since longer-term scaling research will ultimately help get us where we need to be.

Because the Ethereum community has generally been handling issues with aplomb, I'm cautiously optimistic that the end result will be a more resilient network both in technology and preparedness.

**CT: How you got involved in Ethereum?**

**TG:** I was on sabbatical in 2012 after having worked for some large corporate enterprises. I was in search of something different to work on and in that time, I re-discovered Bitcoin as a means for tipping over the internet.

It didn't take long for me to jump down the rabbit hole, and in that process I met Wendell Davis, founder of Hive wallet. While working on early attempts at Dapps for that project, he encouraged me to attend the Darkwallet event taking place in Milan.

It was there that I met Amir Taaki, Peter Todd, Mihai Alisie, and many others in the Bitcoin space. Several of the ideas discussed there revolved around making crypto easier to use, but were ultimately limited by available protocols. It was here that I heard the first rumblings of some new idea that would solve a lot of problems from some Russian kid that wrote for Bitcoin Magazine.

After returning home to Chicago, I stayed in touch with Mihai who eventually connected me with Vitalik Buterin to assist on the Ethereum website.

**CT: Ethereum and smart contracts: Do you feel that in the real world it would be difficult to understand for lay people?**

**TG:** I believe a large part of the misunderstanding with so-called smart contracts is that the name is partially a misnomer. Really what we're talking about is programs on blockchains. These programs can be coded to do just about anything, but have the added benefit of digital uniqueness without central point of failure. From this point, lots of things are possible from digital assets to autonomous assistants.

**CT: You have talked about micropayments as a useful application for cryptocurrencies. What do you think of the arrival of Steem on the scene in that context?**

**TG:** I haven't spent much time looking into Steem yet, but the idea of micropayments for content and actions has been waiting for implementations and it's great to see both them and projects like Akasha (built upon Ethereum & IPFS) begin developed.

The question of whether we can properly incentivize good community behavior with real value remains to be answered, but certainly any solution that allows for users to own their own data and makes use of decentralizing technologies

for resilience is a huge win in the face of more traditional services.

**CT: What is the future of Ethereum in your view? Is it going to finally displace Bitcoin as the cryptocurrency of choice?**

**TG:** People are waking up to the capabilities of blockchains beyond value transmission.

While this property does remain as a core component to any public blockchain, there are loads of opportunities for new projects to enter the industry and take a foothold.

No technology, including Bitcoin and Ethereum, is guaranteed to succeed, though I do think the segments of payments & remittance is Bitcoin's game to lose.

When I originally immersed myself in Bitcoin, low-cost near-instant microtransactions were a dream to build towards.

For that dream, I developed a short-lived service called Paythru, making it possible to send Bitcoin to digital entities that hadn't yet published a tipping address. Once updates like the "no dust" minimum were put in place, I started to encounter some of the limitations of Blockchain as "one chain to rule them all".

➔ Ethereum ([/tags/ethereum](#))

➔ Taylor Gerring ([/tags/taylor-gerring](#))

➔ Hard Fork ([/tags/hard-fork](#))      ➔ DAO ([/tags/dao](#))

Comments

Author Neer Varshney

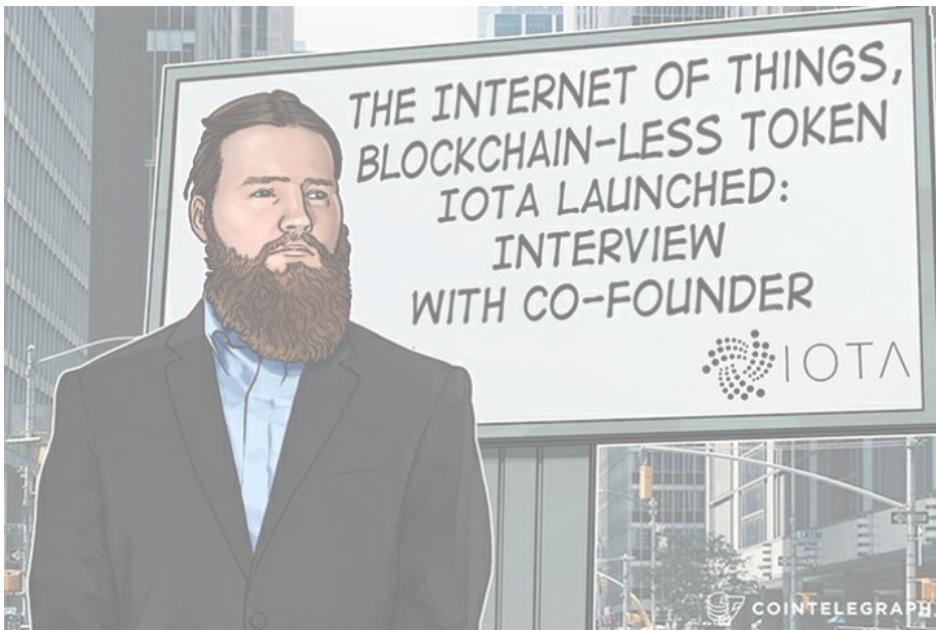
2016-07-20 02:30 PM

## The Internet of Things, Blockchain-less Token IOTA Launched: Interview with Co-Founder

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1473 Total views

179 Total shares



IOTA (<http://www.iotatoken.com/>), the decentralised Internet of Things tokens, which was till recently in BETA version, is now being launched.

IOTA is a micro-transaction crypto-token that will facilitate the architecture involved with IoT (<http://cointelegraph.com/tags/internet-of-things>). The IOTA protocol runs off of Tangle, which has similar functionality to a blockchain yet acts more like an emulated version, giving it more versatility.

CoinTelegraph catches up with David Sønstebø (<https://twitter.com/davidsonsteb>), the co-founder of IOTA, who had earlier (<http://cointelegraph.com/news/iota-beta-internet-of-things>) talked to us about the technology involved in the token during the BETA launch.

#### **CT: When is the full launch happening?**

**David Sønstebø:** In IOTA there is no specific date that can be called 'full launch'. IOTA is currently in the very beginning of the first of 3 launch stages which began on July 11th after 6 months of alpha/beta testing. We're currently at the beginning of Stage 1, so live-net went live on July 11th, but the actual 'launch' will take place over the following weeks, as there are so many different aspects that can't be released all in one day.

#### **CT: Can you describe the three stages in brief for our readers?**

**DS:** Stage 1 is primarily about main net launch, i.e. going live as an immutable ledger. Other community issues like user-friendly GUI, website, forum, chat, listing on exchanges and other immediate issues are also part of this first stage. There are also partnerships and proof of concepts with large companies (like Microsoft) that we have been working on since fall 2015. This 'Stage 1' will continue in the coming weeks and months.

Stage 2 will be all about extending the utility of IOTA, whose core is 'transactions and data-transfer'. In Stage 2 we will, together with other partners using IOTA, release modules that go Beyond transactions and data-transfer.

In Stage 3, the hardware implementation come in. Any device that has this will be able to process thousands of transactions per second. The Company that initiated the IOTA Project is working on precisely such an IoT processor.

**CT: What has changed in the BETA version, compared to the initial idea that you began with?**

**DS:** The core idea has remained the same, but the software has been optimized a lot and is still being optimized. At the moment it's all about making it as fast as possible in terms of transactions per minute on average.

**Community reception**

**CT: How has the reception from the cryptocurrency community been so far, as the first block-less cryptographic token?**

**DS:** So far the reception has been tremendous in the vast majority of cases. Given the huge focus on issues like Block size debate and prohibitive fees of blockchains in the past 2 years, people are very excited that there exist now a technology that resolves these issues, while making the decentralization even stronger.

There are always be some biased people with a rather parochial view of the blockchain space that treat every new technology as a 'threat' to their preferred/invested solution, but those people are hardly even worth acknowledging.

**CT: I know you have talked about it before, but, now that you are right there, would you like to elaborate further, on how IOTA will be a better option than the ones currently available, and in what ways?**

**DS:** The best way to really grasp how IOTA is such a leap forward is by comparing it to the traditional blockchain. In regular blockchains, you outsource the verification of the network, essentially decoupling the verification of the network from the users of said network, this is why you have to pay miners/stakers a fee to verify your transactions. In IOTA there is no such decoupling, instead it is an entirely self-sustaining network where the users verify transactions of other users. This means there is no compensation needed and thus no fee.

Pre-IOTA there was no way to do true micro-transactions, that is transactions that may be 0.1 cent or 10 cents, because of this prohibitive fee you pay to verify the transactions. You can imagine in Internet-of-Things where the machines are the prosumer and consumers. A sensor might be purchasing 5 cents worth of electricity from a solar grid, now imagine that the sensor also had to pay a 10 cent fee on top of this 5 cent purchase, it's just not feasible at all. In IOTA you can indeed do this, you can pay whatever tiny amount you want without having to worry about any fee at all.

**From micro-payments to e-voting**

**CT: You earlier talked about the different partnerships that IOTA is entering into. Would you like to elaborate on them?**

**DS:** The Companies we are currently working with, come from virtually every segment ranging from insurance industry to micro-payments in technological resource trade to e-Voting.

In Africa and other areas where infrastructure is scarce and droughts resulting from global warming is a very real aspect of life, there are some really innovative Insurance models that protect farmers. What they do is use weather station data to determine whether the conditions in the area of the farmer had favorable weather conditions to have a successful crop, such as sufficient rainfall or not. Of course both parties has an incentive to tamper with the data for profit. Here IOTA is being explored to serve 2 roles. One, to pay in real time via iota depending on varied weather rather than just 1 'all or nothing payout'. And two, to put the data from the data logger onto the IOTA Tangle (IOTA's Distributed ledger) to keep the data— tamper proof— and thus honest and reliable for both parties.

As Internet-of-Things keep expanding and growing to consist of tens of billions of connected devices the question becomes how to make the devices interoperable and how to utilize them as efficient as possible. For example, in certain oil rigs there are tens of thousands of sensors, but up to 99% of the data is never utilized for anything. IOTA is being explored here for providing the incentive to share your surplus with as many parties as possible, opening entirely new business-to-business opportunities.

We are also partnering with companies for e-voting. Given that it cost absolutely nothing to cast and process votes in IOTA, and that the architecture of the Tangle is a lot more flexible and scalable than blockchains, it has been identified as an ideal backbone of end-to-end verifiable e-voting system by several academics and some companies. We are actually in talks with 2 companies about assisting them in setting up a prototype this year.

#### **CT: What are the plans for the future of IOTA?**

**DS:** There will indeed be a lot of news in the following weeks and months about which companies have teamed up. The overall vision and mission of IOTA for the coming years is to establish IOTA as an IoT, and Tech standard that will enable a whole new 'Economy of Things', where billions of devices are trading amongst each other and fueling the interoperability that is required to realize the true potential of IoT.

🏷️ [Internet of Things \(/tags/internet-of-things\)](#)

🏷️ [Tokens \(/tags/tokens\)](#)      🏷️ [IOTA \(/tags/iota\)](#)

Comments

Author Shivdeep Dhaliwal

2016-07-20 01:40 PM

## Ethereum-Based Oracle Holds Key to Future

1660 Total views

133 Total shares



Warren Buffett (<https://twitter.com/warrenbuffett?lang=en>) is often called the 'Oracle of Omaha' because of his legendary ability to pick the right investments. Making sound decisions is thus important: it is based on good decisions that we can expect good outcomes.

Collectively the markets can play the role of an oracle as well. What if we could devise a system which would use the collective wisdom of the markets to help form better policy or devise effective governance models that could actually deliver.

Can we come up with a system that would allow poor countries to make better decisions for their upliftment or help people perceive how their future might unfold? What if it was possible to create an entire prediction market? Ethereum offers a unique opportunity to do just that.

### A prediction market to gauge the future

Gnosis (<http://gnosis.pm/>) is based on Ethereum and aims to offer a prediction market as a service. Their aim is to enable people to figure out what is going to happen in the future. They want to act as an oracle and will allow users to create events and fund them as either single investors or as a crowdfunded campaign for this purpose.

Cointelegraph talked with Matt Liston (<https://www.linkedin.com/in/matt-liston-b041088a>) who is a Startgeist at Gnosis about how Gnosis works and he says:

*"Gnosis enables anyone, anywhere, to speculate on the outcome of events with financial incentive. It is an indispensable tool to create more efficient information economies. Applications of Gnosis are incredibly wide ranging, from more flexible and efficient sports betting and financial instruments, to novel forms of governance, insurance, action incentivization, information aggregation, and much more! The Gnosis platform will enable anyone to create new applications very easily. Our goal is to make this process as simple as setting up a new Facebook page. Gnosis will serve as a toolset and shared liquidity pool for the next generation of markets."*

## Shaping policy with markets

The prediction markets can provide useful data that can be used to create a governance model termed as 'Futarchy'. This can be useful to reshape policy for a wide array of topics.

One example can be the plans of Gnosis to reshape their own Decentralised Autonomous Organisation (DAO). Gnosis plans to create a platform level DAO that will allow anyone to suggest to veto a funding proposal that has been created by the core team.

After a veto opens it will trigger a futarchy mechanism that creates two types of Gnosis tokens Matt Liston explains:

*"One token (A) has a value of one Gnosis token if the proposal passes, and the other (B) has that value if the proposal does not pass. These tokens will be tradable on a market. Those participants who believe the proposal is not in the best interest of Gnosis should sell token A and keep token B. Conversely, those who support the proposal should sell token B and keep token A. In this way, the exchange rate between these tokens represents the demand for a proposal to pass or not pass. After a certain amount of time the decision is made corresponding to the token with higher value."*

## Can the market decide everything?

Although markets are known to be capable of factoring in future events to a certain degree and take them into account, it is a well known fact that socio-political or sudden economic upheavals can cause markets to behave erratically. While this is true of regular economic markets, it is also true of a prediction only model.

We asked Matt Liston about what he thinks markets or voters will not be able to foresee. We also asked him about potential issues that may be caused under this system.

He was of the view that the two categories of events that cannot be accurately forecasted by the prediction markets are those, which involve some form of existential threat and those that can't be easily decided.

He offered examples like "Will an asteroid wipe out humanity" and "Does God exist?" for both of these classes of problems. The reason why existential problems can't be easily decided are because they threaten the very continuity of the markets and thus there is no incentive to make a prediction.

As for those events that can't be easily decided, the predictions are not likely to be accurately resolved according to Matt. Problem areas that may affect the prediction markets are lack of volume and lack of experts that provide unique knowledge.

However, Gnosis believes that such problems are likely to be 'negligible' as they think that if the proposal is contentious enough that it would attract 'enough' participation.

### Need for experimentation

One of the issues with DAO has been the lack of good old-fashioned lab testing. Gnosis told us that they are not convinced that the participation and consensus requirements for funding projects in the DAO was sufficient.

This rings true considering traditional funds require a far more stringent agreement before they would finance a project. It is also true that traditional funds usually have onboard paid experts.

Gnosis though are excited about future possibilities related to DAO governance, they say:

*"We have received a generous Ethereum Dev grant which will be used to test some of the cryptoeconomic assumptions for Futarchy, particularly how easy it will be for actors to manipulate market values when incentive is provided. We hope that this, and tools which we will create, will form a foundation for future DAO governance work."*

### The DAO fork may open a can of worms

Although Gnosis themselves have not made any hard predictions on the coming hard fork in Ethereum after the DAO incident, we did ask them what they thought about it.

Matt Liston remarked:

*"I hope that the hard fork does not open a can of worms in terms of precedent, however I believe that it is the more practical decision. Some will argue that the hard fork contradicts principles of immutability. However, the hard fork is limited to modifying transactions related to the attacker DAO and the process of deciding on a hard fork is a form of social consensus which is coded into the system itself."*

### Markets need an informed base

The idea that markets can drive policy is an interesting one. Even elected governments use technocrats and civil service to guide policy because they are judged to be experts in their own fields. In order for markets to make sound

policy decisions, there is a need for participants to be informed. It is not simply possible to solve complicated policy issues with a mere tyranny of a majority.

The question that would be interesting in the future is if these type of prediction markets trickle down to the mainstream body of people or if they remain the preserve of an exclusive group. Although it must also be said that the importance lies in the questions that are being put to the market.

In super specialised fields the nature of the questions might attract a certain type of an 'investor'. In more broad based problems, the general public might become involved because it is a question of mass-appeal.

As for Gnosis, they have a definite thought about this, as Matt Liston says:

*"Those participating should have intimate knowledge of the workings of Gnosis. Many will be cryptocurrency or prediction market enthusiasts and will have a vested interest in the success of the platform."*

◆ Ethereum ([/tags/ethereum](#)) ◆ Markets ([/tags/markets](#))

◆ DAO ([/tags/dao](#)) ◆ Matt Liston ([/tags/matt-liston](#))

Comments

Author Olusegun Ogundehi

2016-07-20 01:00 PM

## After Circle, China's Baidu Invests in US Fintech Company Again

710 Total views

75 Total shares



The Chinese search engine Baidu (<http://www.baidu.com/>) could be moving towards resuming a strategy that will sooner or later lead it to start accepting Bitcoins - again.

The company is continuing with its growing interest in FinTech in a cross-connection manner between the Asian giant and the leading global market in the US by investing in a second U.S. fintech company in a month.

Baidu recently invested in a US blockchain company, Circle Internet Financial Inc (<https://www.circle.com/>), after the Bitcoin startup announced it had raised \$60 million in funding from a consortium which was led by IDG (<https://www.idg.com/>), an American based media, data and marketing services and venture capital organization.

This time, it is investing an undisclosed amount into Zest (<https://www.zestfinance.com/>), one of the fastest growing financial technology startups in the US, to develop a credit scoring platform based on search data to address a Chinese market whose traditional credit systems are broken.

### Half billion people's market in China

The tech platform that applies Google-like math to credit decisions was founded by a former CIO at Google (<http://google.com/>), Douglas Merrill.

Zest uses its platform to make loans to deserving, responsible borrowers that other lenders overlook. Its entry into China will enable lots of people who deserve credit but live in a cash economy with no formal banking service to be served.

According to Zest on its website, there are more than half a billion people in China with no credit history. This lack of data makes it incredibly difficult to determine credit risk but its platform turns shopping data into credit data, creating credit histories from scratch.

The US company will use its platform which is able to consume vast amounts of data to identify good borrowers, enable higher repayment rates for lenders and lower-cost credit for consumers.

It will rely on several mathematical models running in parallel which require no human interaction in the underwriting to make accurate decisions in less than 10 seconds unlike other creditors that take hours or days.

### Stopped accepting Bitcoins in 2013

China provides a huge opportunity for Zest because there is no centralized credit bureau like in the US.

Baidu stopped accepting Bitcoins in 2013

(<http://www.bloomberg.com/news/articles/2013-12-07/baidu-stops-accepting-bitcoins-after-china-ban>) after the nation's central bank barred financial institutions from handling transactions, triggering a drop in the price of the virtual currency.

However, with these moves, coupled with market reports and the various friendly gestures by the Chinese government to Bitcoin-related issues including large scale mining activities in the country, it won't be misplaced to envisage China's biggest search engine in a position of readiness to resume a strategy that will sooner or later lead it to start accepting Bitcoins - again.

◆ [China \(/tags/china\)](#) ◆ [Investments \(/tags/investments\)](#)

◆ [Baidu \(/tags/baidu\)](#) ◆ [Bitcoin \(/tags/bitcoin\)](#)

◆ [Markets \(/tags/markets\)](#)

Comments

Author Olusegun Ogundej

2016-07-20 12:15 PM

## Call for \$50,000 Ether Coder Hackathon, In Time For Ethereum Hard Fork

711 Total views

76 Total shares



An invitation for applications to participate in a \$50,000 Ether coder hackathon was launched. The announcement of the 5-week hackathon is coming in time for the Ethereum (<https://www.ethereum.org/>) hard fork planned to occur at block 1,920,000, which should be on July 20 or 21 depending on time zone.

It is an event where participants will be part of a team to build "a real product while the entire crypto community watches and casts their vote on what captures their imagination," according to [hack.ether.camp](http://hack.ether.camp/) (<http://hack.ether.camp/>).

Participants will tell the story behind their innovative ideas and turn them into a working product with the winning app creator getting \$50,000 in Bitcoin, Ether, or any other major cryptocurrency of choice.

Though the event's homepage says experienced hackers and entrepreneurs have been invited to influence the competition right from the start, the exact date for the hackathon which it says will start in October is not provided.

However, it would be worth noting that it would be about a month after about 800 Ethereum developers and enthusiasts would have converged in Shanghai, China for the Ethereum DevCon 2 (<https://blog.ethereum.org/2016/04/05/devcon2-and-blockchain-summit-shanghai-september2016/>) to discuss newest advances in technology and trends in web 3.0 development - a move that has been praised to be one of the most brilliant by Ethereum.

This edition of the hackathon which has Co-Founder of Ethereum and ConsenSys (<https://consensys.net/team/>), Joseph Lubin, Founder of Augur (<https://www.augur.net/>), Jack Peterson and the Founder of <ether.camp> (<https://twitter.com/mandeleil>), Roman Mandeleil, as some of this year's judges, is a step higher to the previous edition which also offered developers the opportunity to take advantage of the most advanced Blockchain technology as a new way of developing programs and a paradigm shift.

It lasted over three days with 14 judges, 43 camps and over 100 coders with a team walking away with a grand prize of 5000 Ether. Camp iudex built a transparent reputation index for web identity, on Ethereum.

► Ethereum (/tags/ethereum) ► Hard Fork (/tags/hard-fork)

► Hackathon (/tags/hackathon)

Comments

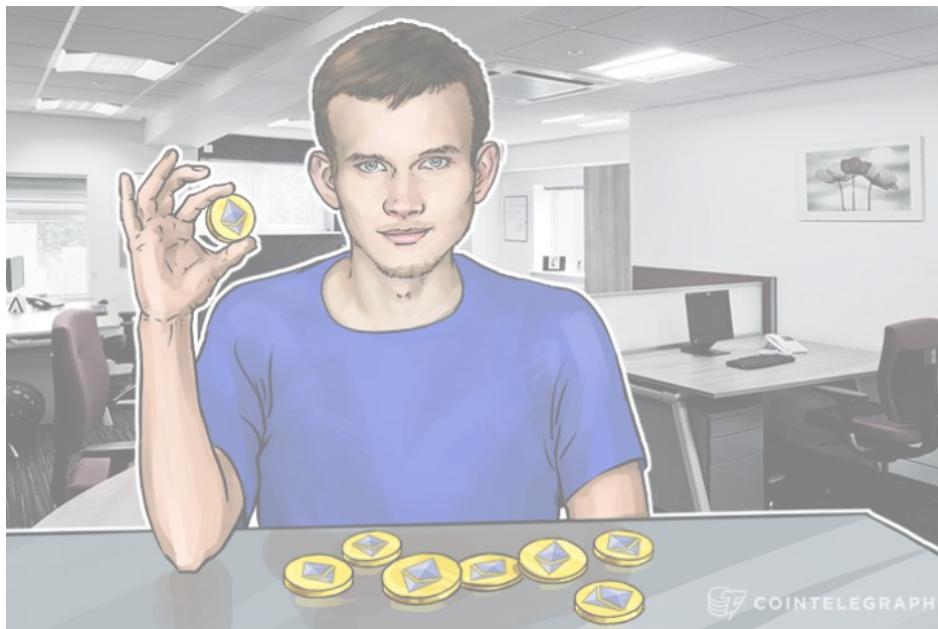
Author Denis Harrison

2016-07-20 09:00 AM

## Ethereum (ETH) Price Trends (Week of July 20th)

1272 Total views

66 Total shares



Ethereum is currently traded between two key technical levels. An exit from that range will most likely provoke a weekly trend.

### Will the long-term upward trend continue?

Ethereum's price continues correcting toward the downward trend. So far, the structure of this downward trend was not disrupted. That's why the advantage is held by the bears at the moment. The downward rebound has achieved its minimal target. The upward movement is of a larger scale than the previous correction. Because the minimal rebound has been fulfilled and the structure

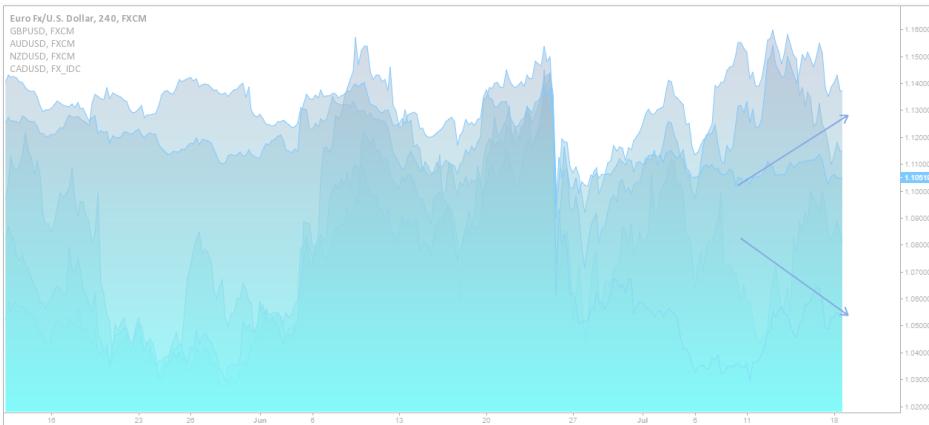
of the downward trend was not disrupted at the \$14.2 mark, it can be assumed that the bears are holding the advantage. Thus, the odds are on the side of a continued downward movement, within a correction of a larger scale.



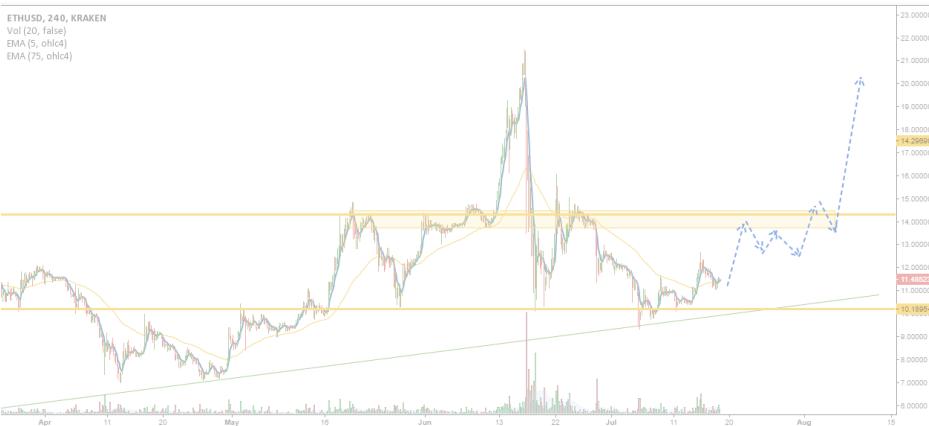
However, it's hard to make a more certain prediction until Ethereum reacts to one of the key technical levels. The price of \$14.2 is considered "high" in the current situation, and \$10.2 is "low." Why is that so? Because these are the breaking points both for the downward and the upward movements. In the future, Ethereum's price will go to other levels. That's why a flat usually forms between such levels, until an imbalance forms on the market.



The fiat currencies are still undergoing flat movements. Those flat are corrections toward the upward dollar trend. Most currencies have reached the minimal correction targets of their downward trends, which have formed after Brexit. Consequently, there can be a new sharp drop, which could provoke the dollar's price to rise. That scenario will take place, if the currencies do not fortify at the current levels. If they do, there will be a chance for most currencies to form a turn to growth, which will make the dollar go into a deeper correction.



If the world currencies do form a turn to growth, it can influence Ethereum. In that case Ethereum's price will have a chance to go back to \$20. But for a more confident signal, Ethereum has to fortify at a key resistance line of \$14.2. A fortification and formation of a turn at the level of \$14.2 will indicate that the bulls are holding the advantage, and a turn to growth is most likely to happen. If that is the case, the long-term upward trend will probably continue with a powerful impulse. That usually happens when a movement is already defined. And where is a movement most likely to define itself, if not at breaking points?



It's worth to mention an upcoming event on Ethereum's market. A hardfork is planned by Ethereum's devs to happen on July 20-21. The fork is expected to return the Ether tokens, which were stolen during The DAO attack, to their rightful owners. This event could have a positive effect on Ethereum's trends.

Ethereum's price is currently inside a flat. The price will choose a specific direction, after it passes the limits of that flat - \$14.2 and \$10.2.

➔ Ethereum (/tags/ethereum)

➔ Ethereum Price (/tags/ethereum-price)

Comments

Author Angus Leung

2016-07-18 12:20 PM

# ThoughtMachine Released Vault OS, Blockchain-Based Operating System for Banking

1488 Total views

172 Total shares



UK-based fintech company ThoughtMachine (<https://www.thoughtmachine.net/>) recently released their blockchain-based operating system specifically designed for banking known as Vault OS (<https://www.beingtechnologies.com/#vault>).

As banks spend millions of dollars a year on their cybersecurity to fight against cyber attacks, blockchain technology holds the solution for this problem but as firms such as JPMorgan Chase and Citi Bank start developing their own blockchains, development tends to be costly.

For two years, the ThoughtMachine's team of 50 worked on the "100% future-proof" Vault OS in stealth which resulted in an operating system that has its own private blockchain with cryptographic ledgers to provide high-level security which will allow banks to run their own blockchains for the signature ledger system and lower cost compared to the massive data centers that banks operate.

A member of the ThoughtMachine team states:

*"The private blockchain provides a guarantee against malicious tampering by someone who has hacked in. All employee actions are tracked and reproducible on another action ledger."*

## OS runs on Linux

Vault OS has the ability to handle standard banking functions and business models as well as smart contracts which will allow banks to use Vault OS to create new financial products. The OS itself runs on Linux and is deployed on AWS which allows it to be ran on cloud infrastructures as a Software-as-a-Service or Blockchain-as-a-Service.

According to a press release (<https://www.beingtechnologies.com/press/index.html>) by ThoughtMachine, this OS will be providing banks with the functions needed for accurate and real-time reporting. Banks can also determine their financial position at any given time and with reform measures such as Basel III ([www.bis.org/bcbs/basel3.htm](http://www.bis.org/bcbs/basel3.htm)), can optimise both time and resources for bank officials.

Being a blockchain-based banking operating system means that it will have Bitcoin's transaction verifications which will prevent double spending, fraud and overall, speedy transactions. As well as the support for bank services such as credit cards, loans and mortgages, not just standard banking.

With benefits such as allowing real-time transaction information to be displayed for bank users rather than overnight batch-processing methods, smart contracts and banking services that can group spending and income into 60 categories. ThoughtMachine has not only developed Vault OS to improve banking experience for banks but for consumers as well.

◆ [ThoughtMachine \(/tags/thoughtmachine\)](#) ◆ [Banks \(/tags/banks\)](#)

◆ [BlockChain \(/tags/blockchain\)](#) ◆ [Linux \(/tags/linux\)](#)

Comments

Author Neer Varshney

2016-07-18 11:20 AM

## Mobile Apps are Taking Over Jobs of Financial Experts As Millennials Prefer Fintech

1010 Total views

127 Total shares



The technology-phobic financial experts are running out of jobs-- making ways for the tech-savvy ones.

The younger generation of investors is no more happy with 9 to 5 business hours to seek out financial experts, and sit in a room with them for consultation. Not when, the same is available at the click of a button in their electronic gadgets.

The investment industry has never been static, and everyone working in the industry has had to deal with changing times. But the XXI century has brought rapid changes with the advancement in technology, and many generations of financial experts suddenly find themselves not able to match up to it.

### Fintech is the new Cool

As fintech managers say, the new generation clients do all their investing, banking and portfolio analysis on their e-gadgets. For them, Wall Street fails the young investors not knowing how to begin saving and investing, but Fintech companies bridge that gap.

Addy Crezee, CEO at Investors' Angel and Advisor at Cointelegraph, says:

*"I'd rather say that young investors are more friendly to Fintech, because that is a rapidly growing industry. We can see lots of people without investing experience who are funding very risky, but promising projects via crowdfunding platforms for example. So yes, Fintech and especially Blockchain is a magnet for not experienced investors right now. Even some experienced ones follow the wave and invest with emotions, based on the buzz around it."*

Less formal and more productive

Millennial investors are ditching their parents' financial advisors in favor of Fintech companies. Fintech offers all that they need: "24/7 reliable service at the click of a button".

It is no more needed to visit a certified financial advisor before making a decision, as all the needed advice is available from leading industry experts online.

Priyanka, a student at University of Pennsylvania, says:

*"I am a college student, and always short on time. It is easier on the web. With Fintech companies, I can get all the information I need before I even begin investing. I began investing with a small amount of \$10. I had all the help I needed, and without having to schedule meetings with my consultant; it saves a lot of time on travelling as well. It is less formal, and more productive."*

➔ Applications (/tags/applications)

➔ FinTech (/tags/fintech)

Comments

Author Angus Leung

2016-07-18 10:20 AM

## UK Blockchain Company Hits £100,000 Investment via Bitcoin

1817 Total views

62 Total shares



With the UK still recovering from Brexit, Stratis, a London-based blockchain solutions company with the goal of building a Blockchain Development Platform for developing blockchain apps has raised over £100,000 worth of BTC from its ICO.

Kicking off its ICO in June, Stratis offers their blockchain token which is used to run the Stratis blockchain and sidechain features to any participants of the ICO. Stratis has 84,000,000 Stratis tokens for sale to investors.

Once developed, Stratis will allow anyone to create and manage blockchains within minutes with the ability to customise their own private sidechains which will be secured by the main Stratis blockchain, allowing developers and small companies to experiment with blockchains, not just large companies such as JPMorgan-Chase and the Deutsche Bank.

Chris Trew, Founder of Stratis states:

*"Our company is primarily on blockchain provisioning for the business community in an increasingly digital economy. Blockchain is a game changer but there is still a real need to lower the barriers to entry so that more people can get involved with the technology, discover its utility and ultimately be able to compete in a changing marketplace"*

### Changing Blockchain-as-a-Service

The Stratis platform itself will be cloud-based and will be an open-source Bitcoin full node framework written in C# and the Microsoft .NET framework rather than Bitcoin's original C++ node with several added features allowing it to be easier to maintain existing code and make it more attractive to developers.

According to Stratis, Bitcoin core developer, Nicolas Dorier has brought his Bitcoin expertise to the Stratis team.

While Ethereum has its smart contracts and WAVES has its custom blockchain asset features, Stratis will be changing Blockchain-as-a-Service by implementing custom, private sidechains which will decrease the amount of time and resources spent attempting to clone the Bitcoin blockchain while still giving organisations the full features of blockchain technology ready to deploy at the click of a button.

◆ United Kingdom (/tags/united-kingdom)

◆ Bitcoin (/tags/bitcoin)

◆ Stratis (/tags/stratis)

◆ London (/tags/london)

◆ BlockChain (/tags/blockchain)

◆ Investments (/tags/investments)

Comments

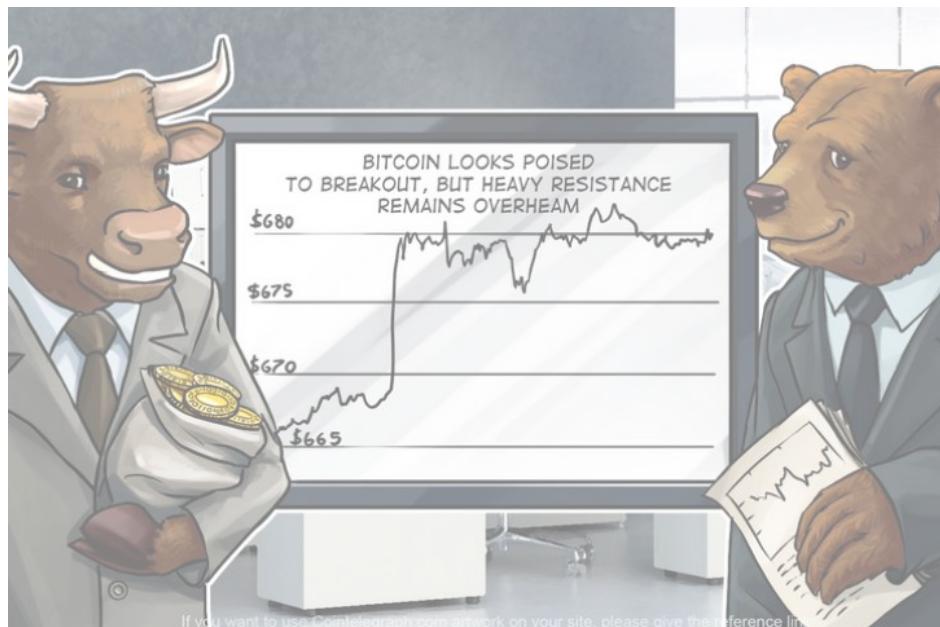
Author Adam Wyatt

2016-07-18 09:20 AM

## Bitcoin Looks Poised to Breakout, But Heavy Resistance Remains Overhead

1651 Total views

182 Total shares



*Analytics provided by BBA (<https://www.bullbearanalytics.com/>)*

As expected, the bitcoin markets have been relatively stable over the past week, although it now looks like a rally up to resistance is becoming more and more likely.

Now that a week has passed since the halving and there has been no technical incident, no significant drop in hash rate, no network clogging fee event, and no major selloff in price, we think the market is simply digesting its new economic reality for the time being. Unfortunately for traders this digestion period means a lack of volatility due to a tightening consolidation, however as we know range contraction inevitably leads to range expansion at some point. While this range expansion may not be imminent, the market seems to be preparing itself technically for this possibility.

Our working hypothesis for the past month has been that bitcoin is currently in a range-bound consolidation between the \$550 and \$780 levels, within which price has been pinned near the midpoint for over a week. Following what was an extremely stagnant trading day over the weekend on Saturday, Sunday saw a slight pick-up in buying action which pushed price above key resistance at 680 \$. Now the market is trying to hold these gains into the new weekly candle as macroeconomic uncertainty is relatively high going into this Monday, so if the bulls can successfully fend off the bears for a bit longer then there is a good chance at testing \$700 in the not too distant future.

Moving on to the charts for additional clarity and granularity, we first want to revisit the daily chart in order to get the medium term perspective. We can see that the bullish pennant formation has now been resolved to the upside, however we are lacking firm confirmation which means it very well could be a fakeout breakout. Momentum and volume are not very helpful either considering Willy, RSI, and MACD all continue to tread water near the centerline while volume profile remains porous. Having said that, there are some hints that buying pressure is building, mainly via the Willy moving average (MA), so despite a mixed technical picture the medium term still favors the bulls.



With the daily chart staying inconclusive, we want to nail down even further which is why we are presenting a 4-hour chart for the first time. The chart below shows a slightly more bullish picture than the daily, although there is still very heavy resistance at multiple levels just overhead. We can see that the market is trying to form an ascending triangle pattern which should resolve to the upside, however the \$685 – \$700 area has already rejected three rallies over the past four weeks. Additionally, the momentum oscillators are already

getting close to overbought territory with Willy flashing some warning signs, but the 9/18 EMA Is turning bullish and we have now broken the 200-period SMA.

Volume and volume profile both look much healthier on this chart than the daily chart seeing as though we have a fairly even volume distribution around the point of control (PoC) and sellside volumes have finally waned. All in all, we think the bias is to the upside in the near term, although we are still not convinced that we are ready to eject from the larger \$550 – \$780 consolidation range. The indications are that a resolution is nearing, and that it looks like it will once again be higher, however patience remains a virtue until we get a confirmed breakout. A move above \$700 would be a start, but even that will likely prove to be a struggle over the next week or so. Remember, “buy the dips, sell the rips” remain our mantra for the time being.



## BullBear Analytics

BullBear Analytics is the longest standing cryptocurrency forecasters in the market. They started in 2010, doing technical reports in bitcointalk.org, and have evolved into a buzzing community of traders. Adam is BBA's chief analyst.

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❖ Bitcoin (/tags/bitcoin)

❖ Bitcoin price (/tags/bitcoin-price)

## Comments

Author Olusegun Ogundesi

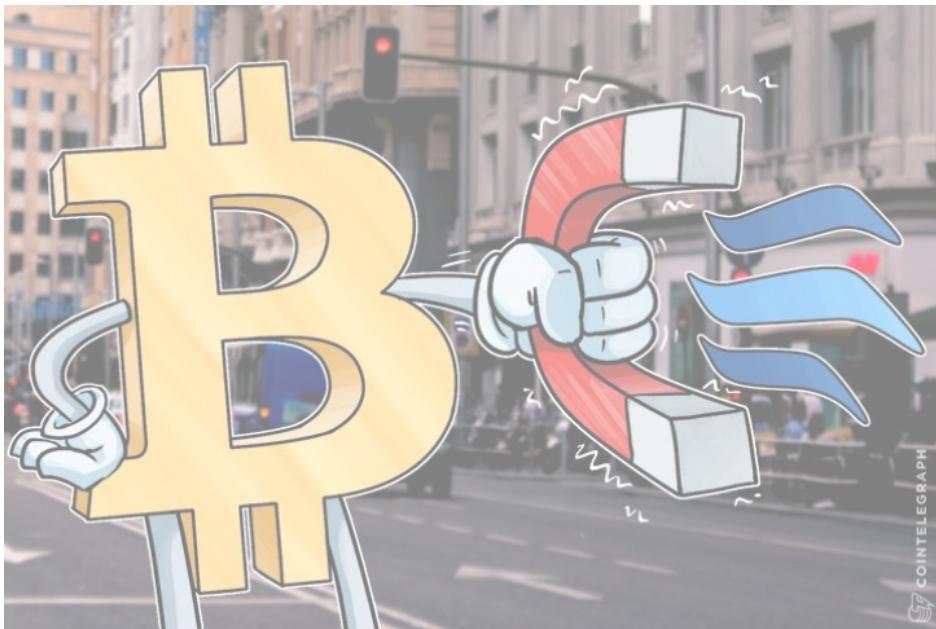
2016-07-17 11:25 AM

## Steemit May Become Killer App As It

# Looks to Draw 1 Mln Bitcoin Users Yearly

6935 Total views

398 Total shares



The exponential rate at which Steem ([coinmarketcap.com/currencies/steem/](http://coinmarketcap.com/currencies/steem/)) grows may put on fast track a solution to the scaling issue that the Bitcoin community faces.

Steem is a digital currency behind Steemit (<https://steemit.com/>), a decentralized social media platform which rewards posters and voters online. Scaling Bitcoin has become a hot button issue in the community. This is the process to increase block size from its current form in which the network can only support up to seven transactions per second to process more like Paypal achieves with about 100 transactions per second, and as Visa does with about 4,000 per second.

## In the wake of the Steemit hack

Recently, Steemit was hacked, with about 260 accounts compromised ([www.cointelegraph.com/news/steemit-website-hacked-ceo-promises-to-reset-accounts-in-48-hours](http://www.cointelegraph.com/news/steemit-website-hacked-ceo-promises-to-reset-accounts-in-48-hours)).

David Wachsman ([www.wachsmanpr.com/meet-the-team/](http://www.wachsmanpr.com/meet-the-team/)) responded to those who claim the hack was intentionally organised by Steemit itself as false.

He wrote via email:

*"Without even presenting it to the Steemit team, I can tell you that the insinuation is completely outrageous and false. Once the issue was identified, the Steemit team worked heroically and tirelessly to protect its community. The Steemit team continues to work extraordinarily hard to get things back to normal as swiftly as possible. CEO Ned Scott may post updates to the situation on the Steemit website from time to time, and we plan on sharing those with the media simultaneously whenever possible."*

## Overtaking the DAO

With Steemit being touted to be the bridge that has the ability to bring people who have no interest in cryptocurrency into its world, Steem overtook The DAO (<https://daohub.org/>) to be the world's fifth most valuable cryptocurrency following its 1000% plus growth in the days following Steemit's first cryptocurrency payout on July 4. After the \$1.3 million giveaway, the number of transactions, posts, votes and new users signing up to Steemit's decentralized Reddit-like platform tripled.

In a media release its CEO, Ned Scott, says:

*"After the successful payout on July 4, consumers have seen that our system really works. Everyday users are jumping onboard our social network and many early adopters have benefited. People have started saying that they have paid their rent with money earned on Steemit. Others have bought cell phones, washing machines, and even paid their electricity bills. We have constructed perhaps the first Blockchain application that anyone can use. Content creators and curators have enjoyed earning valuable crypto rewards through a fun and seamless experience."*

Steemit is on track to become one of the largest and fastest growing cryptocurrency projects worldwide in less than three months of its inception. As Steem reaches millions of people in the next year, it could possibly choke Bitcoin's capacity if all the people were to use Bitcoin as a gateway to buy in and/or cash out each month.

Eeks (<https://steemit.com/@eeks>), in a post (<https://steemit.com/bitcoin/@eeks/steemit-is-bitcoin-s-killer-app-or-evidence-numbers-and-analysis>) on Steemit, wrote that Steemit is the killer app Bitcoin has been waiting for to bring fresh and diverse people into Bitcoin and into cryptocurrencies.

The writer says Bitcoin companies and their products do nothing for people outside the one percent who know and use Bitcoin. He cites Purse.io (<https://purse.io/>) as the closest thing to a Bitcoin killer app to convince those outside the cryptocurrency community but, as yet, hasn't had much luck. The same applies to OpenBazaar (<https://openbazaar.org/>), Bitcoin gambling and P2P lending sites, who have not provided a reason for those people to care about Bitcoin or a need to have it, except for speculative purposes.

In an analogy, the writer concluded, based on available figures, that the new social media site could acquire at least a million Bitcoin active onboard users in a year.

*"And if it happens as I expect, Steemit will acquire 1 million or more people onboard per year. That's 1 million people becoming more comfortable with crypto, finding it usable and relatable. That's a huge win for Bitcoin and crypto. The value of any cryptocurrency are the people involved and the network effects they bring, all enabled by the underlying technologies and their usefulness. 1 million more active users into the cloistered world of cryptocurrency seems like a valuable breath of fresh air. Steemit, despite not even being a Bitcoin project, looks like it has the potential to be Bitcoin's killer app. Bitcoin holders rejoice."*

In a post (<https://steemit.com/bitcoin/@dantheman/can-bitcoin-scale-to-keep-up-with-demand-created-by-steem>) by [dantheman](#) (<https://steemit.com/@dantheman>) on Steemit, the writer says:

*"If Bitcoin and other cryptocurrencies wish to benefit from Steem's attraction of new people to cryptocurrency, then they will need to solve the scalability problem much faster than previously anticipated. Failure to scale means the market could pass them by altogether."*

Steemit (/tags/steemit) Bitcoin (/tags/bitcoin)

Applications (/tags/applications) DAO (/tags/dao)

Hackers (/tags/hackers)

Comments

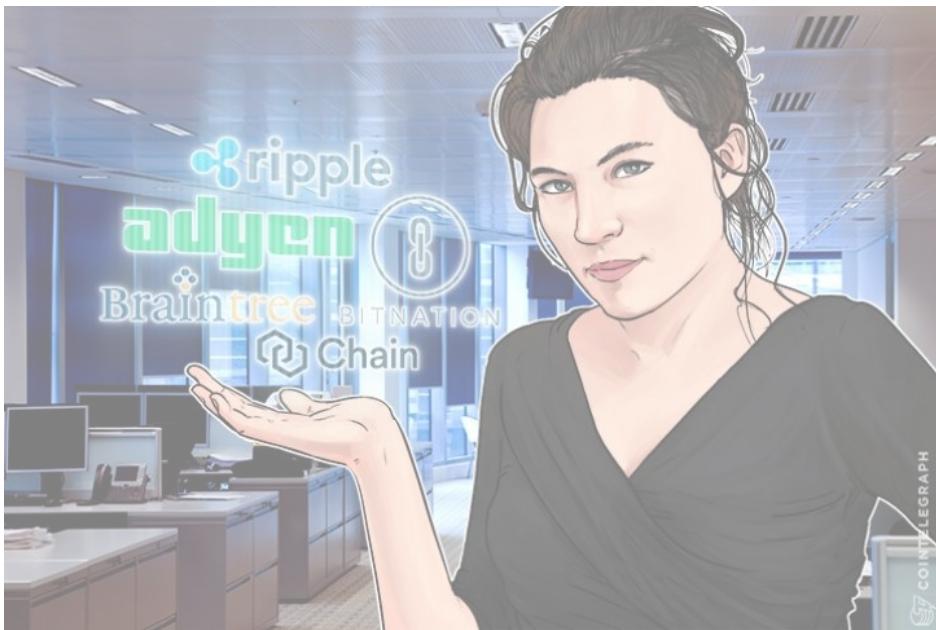
Author [Rebecca Campbell](#)

2016-07-17 10:10 AM

## 5 FinTech Companies to Shape the Future of Money

5364 Total views

921 Total shares



With 2016 marking four years since the last halving, dropping to 12.5 bitcoins every ten minutes, what FinTech companies should we look out for in the years ahead?

The birth of Blockchain technology is quickly becoming the main component of the FinTech ([cointelegraph.com/news/blockchain-future-beyond-bitcoin-no-luxury-cars-for-the-middlemen-wired-predicts](http://cointelegraph.com/news/blockchain-future-beyond-bitcoin-no-luxury-cars-for-the-middlemen-wired-predicts)) revolution and is quite possibly considered the most innovative concept in the FinTech industry.

Most people naturally associate the Blockchain to Bitcoin as that's where its roots originate. However, Blockchain is fast expanding beyond Bitcoin with banks, financial institutions, and individuals slowly understanding the benefits that it can produce.

Not only that, but with more people finding it easier to invest in the digital currency with financial institutions such as American Express (<https://www.americanexpress.com>), Nasdaq ([www.nasdaq.com](http://www.nasdaq.com)), and Visa (<https://www.visaeurope.com>) investing in blockchain startups, the world surrounding blockchain is experiencing an attitude change.

## 1. Adyen

Amsterdam-based, Adyen (<https://www.adyen.com>) is a leading e-commerce payments company globally across six continents for companies such as Facebook, Uber, Airbnb (<https://www.airbnb.ru>), Netflix (<https://www.netflix.com/ru/>), and Spotify (<https://www.spotify.com/fi/>).

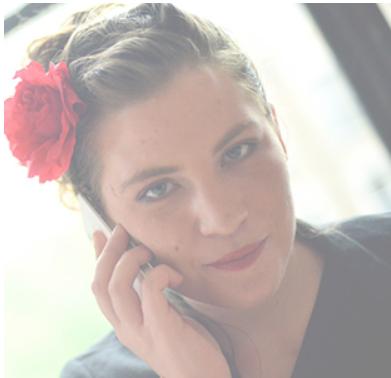
At the beginning of 2016, the Bitcoin-accepting company announced that they had doubled its annual revenue in 2015 and were, subsequently, expanding its next generation point of sale solutions to the U.S. market.

In 2015 Adyen's yearly transaction volume reached \$50 billion while its revenue surged, amounting to \$350 million in the same year.

## 2. Bitnation

Run by Susan Tempelhof, Bitnation (<https://bitnation.co>) is the world's first Digital Nation providing governance services on its platform, Pangea, with the help of the blockchain technology, where it aims to create a nation where state governments become irrelevant.

Tempelhof said to CoinTelegraph that when Bitnation started, no one had ever attempted to create a Blockchain-powered Digital Nation. Since then, they have done the first ever marriage, world citizenship, birth certificate, land titles, issued refugees IDs, public notary in partnership with Estonia and a constitution on the blockchain.



Tempelhof says:

*"Now, the idea has a worldwide following, a community of thousands of citizens and activists, embassies, partners and allies on all continents, extensive mainstream media coverage, and is being replicated by others."*

For Bitnation, however, the real test will be to gain significant market adoption for the Pangea software. The company hopes to have a test version ready by the end of the year with its first public release in 2017.

### 3. Braintree

San Francisco-based Braintree (<https://www.braintreepayments.com>) is an online payments processor that powers one-click payments for consumer apps.

After acquiring the Venmo app in 2012, Braintree was bought by PayPal in 2013 for \$800 million, helping PayPal to acquire technology for back-end payment processing from Uber to Airbnb.

With 500 employees present around the world, Braintree's growth is expanding in its overall payment volume, which amounted to \$50 million in 2015 alone, making Braintree a big part of PayPal's future success.

### 4. Chain

Founded in 2014, blockchain startup Chain (<https://chain.com>) works with leading financial institutions to build blockchain networks. By working with the likes of Visa, Citi, Nasdaq, Capital One, First Data, MUFG, Orange, State Street, Fidelity, and Fiserv, Chain's goal is to transform the financial services industry by enabling firms to digitize financial instruments.

Speaking to CoinTelegraph, chief marketing officer, Fleur Sohtz said that Chain's software facilitates the issuance, transfer, and settlement of assets on a Blockchain network. The company believes that this will fundamentally improve the infrastructure of the financial services industry by allowing real-time asset movement with added security and clarity.

Sohtz says:

*"When trusted institutions can issue digital assets on a secure blockchain network, financial services will be less expensive, more secure, work better together, and be accessible to customers globally."*

It aims to do this through the development of enterprise level software that is designed to improve the core infrastructure that the financial system relies on.

Together with their partners they aim to enable any asset to move quickly and intelligently as data, thus reducing costs and providing an improved platform for products to be built on.

## 5. Ripple

Founded by Chris Larsen, co-founder of Prosper and E-Loan, Ripple (<https://ripple.com>) is a distributed financial technology that enables banks around the globe to transfer funds directly in real time.

Recently, the company announced a milestone, that it had added seven financial institutions to its network enabling banks to improve their cross-border payments through Ripple. These are Santander ([www.santander.co.uk/uk/index](http://www.santander.co.uk/uk/index)), UniCredit ([https://www.unicredit.it/it/privati.html](http://www.unicredit.it/it/privati.html)), UBS ([https://www.ubs.com/fi/en.html](http://www.ubs.com/fi/en.html)), ReiseBank ([https://www.reisebank.de](http://www.reisebank.de)), CIBC ([www.cibcwm.com/cibc-eportal-web/portal/wm?pagId=home&language=en\\_CA](http://www.cibcwm.com/cibc-eportal-web/portal/wm?pagId=home&language=en_CA)), National Bank of Abu Dhabi (NBAD) ([https://www.nbad.com/en-ae/personal-banking.html](http://www.nbad.com/en-ae/personal-banking.html)), and ATB Financial ([www.atb.com](http://www.atb.com)).

CEO Chris Larsen said in a Ripple blog post that a tipping point had been reached where financial institutions are moving beyond blockchain experimentation and projects to real world applications that are driving significant bank-to-bank volume.

He added:

*"This is a major step forward for the global financial system, and as the Ripple network grows, together we are paving the way for new connected commerce opportunities and growing demands for real-time, high volume, low value global payments."*

Since the founding of Ripple, one of the company's greatest achievements earlier this year was the acquirement of its first New York BitLicense, enabling it to sell and protect XRP, a native digital asset to the Ripple Consensus Ledger, for institutional investors and institutions in New York.

♦ FinTech (/tags/fintech)

♦ Future of Money (/tags/future-of-money) ♦ Adyen (/tags/adyen)

♦ Bitnation (/tags/bitnation) ♦ Braintree (/tags/braintree)

♦ Chain (/tags/chain) ♦ Ripple (/tags/ripple)

♦ Susanne Tarkowski Tempelhof (/tags/susanne-tarkowski-tempelhof)

## Comments

Author lyke Aru

2016-07-16 09:30 AM

# Bitcoin Blockchain Based Spells of Genesis Approaches Launch, BitCrystals Price Rises

1973 Total views

330 Total shares



As the full launch of EverdreamSoft's Spells of Genesis ([www.spellssofgenesis.com/](http://www.spellssofgenesis.com/)) (SoG) nears, the blockchain-based token powering the digital trading card game, BitCrystals ([bitcrystals.com/](http://bitcrystals.com/)) (BCY), has seen a fairly significant rise in price.

After a price peak in March, BCY saw a period of bearish activity up to late May, until the price received a bump.

Going into July the BCY sat at 0.00010497 BTC (\$0.07 USD), according to CoinGecko, and illustrated another climb in the game-based cryptocurrency.

## Tokenized Mobile Gaming

Markéta Korteova ([https://www.linkedin.com/in/marketakorteova?authType=NAME\\_SEARCH&authToken=naOD&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A101623600%2CauthType%3ANAME\\_SEARCH%2Cidx%3A2-1-4%2CtarId%3A1468304633592%2Ctas%3Amarketa](https://www.linkedin.com/in/marketakorteova?authType=NAME_SEARCH&authToken=naOD&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A101623600%2CauthType%3ANAME_SEARCH%2Cidx%3A2-1-4%2CtarId%3A1468304633592%2Ctas%3Amarketa)), Marketing Director at EverdreamSoft ([www.everdreamsoft.com/](http://www.everdreamsoft.com/)), is sure that BCY's price patterns are related to the four progress milestones laid out by SoG's team. Each milestone was a designated marker point toward the game's development, with the third milestone achieved in February.

The first milestone was the launch of BitCrystals in late 2015 through a token sale in which 70 million BCY were made available for purchase.

According to the BitCrystal's GitHub page, 14.3 million BCY were distributed during the sale, raising 40 bitcoins, while the remaining 55.5 million BCY were slated to be destroyed or burned.

The crowdsale was a big help to the development of Spells of Genesis, said Korteova.

She explains to CoinTelegraph:

*"From the very beginning, EverdreamSoft's goal was to make SoG more than a regular trading card game, operating under "the whole idea of a blockchain-based game and of true ownership of game assets. We were not crowdfunding just the game, but the whole vision behind it. Project backers became more than simple donors, they also became co-owners of parts of the project."*

## Counterparty platform

BitCrystals are digital assets based on the Counterparty platform. It allows Spells of Genesis' currency to operate as an independent token while still existing on the Bitcoin blockchain.

BitCrystals can be used to purchase trading cards within the game, which can then be played in Spells of Genesis or Moonga. The cryptocurrency can also be traded on the blockchain, or used for alternative purposes in other games, according to BitCrystals.com ([bitcrystals.com/](http://bitcrystals.com/)).

By existing on the Bitcoin blockchain via Counterparty, BCY can also be traded freely outside the game for conversion into other cryptocurrencies on supporting exchanges, such as ShapeShift and Poloniex.

Bitcoin ([/tags/bitcoin](#))

BlockChain ([/tags/blockchain](#))

Games ([/tags/games](#))

## Comments

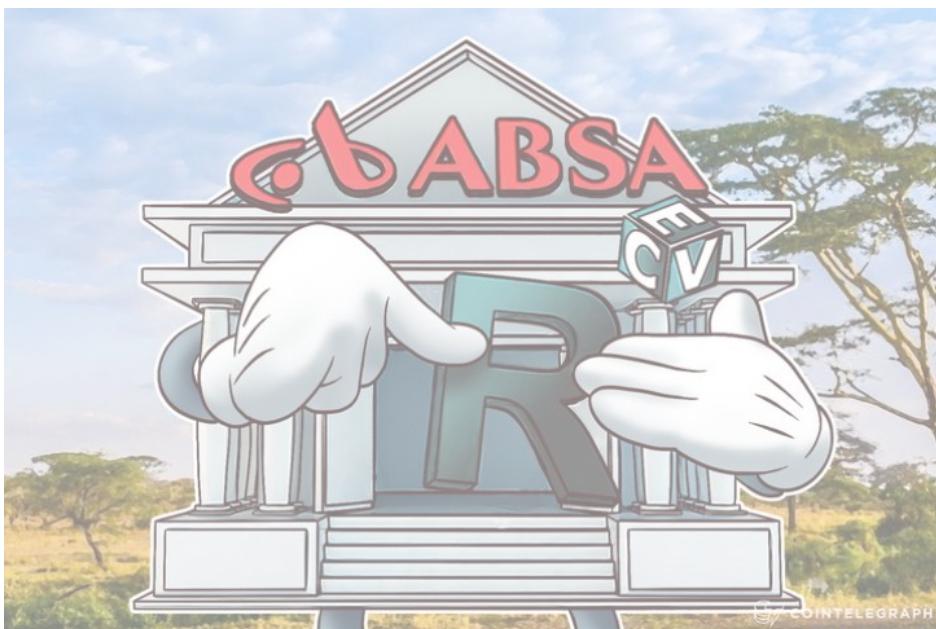
Author Olusegun Ogundesi

2016-07-15 03:05 PM

# R3 Consortium Adds Its First African Bank, Member of Barclays Group

804 Total views

73 Total shares



The goal of the R3 Consortium to form a global partnership to design and apply blockchain's distributed and shared ledger-inspired technologies to financial markets got a boost as it adds its first African institution to its membership.

South Africa's Absa Bank Ltd, a member of the Barclays Africa Group Limited, is the first African banking group to join the global R3 blockchain consortium which has already partnered with some of the world's leading banks to design and deliver advanced distributed ledger technologies to global financial markets.

### Absa will collaborate with other SA banks

The membership will enhance Absa's collaboration with several other South African banks to develop the continent's first distributed ledger-based banking solution. The aim of this working group, according to the bank, will be to build blockchain-based solutions that address common financial services needs, with the resulting intellectual property being shared by all participating banks.

Joining the likes of China's largest insurer, Ping An, Spain's BBVA, Commonwealth Bank of Australia, Royal Bank of Scotland, Japan's Toyota Financial Services and Brazil's Bank Itaú, the diversity of the group would be

enhanced by Absa's addition.

Andrew Baker, CIO for Corporate and Investment Banking at Barclays Africa, says on the bank's website:

*"We see huge potential for financial institutions in Africa to embrace disruptive technologies like blockchain, and use them to empower individuals and improve the lives of their customers. However, its true value will only be realised if we work together to co-develop and share solutions to common problems.*

*Blockchain is still maturing and has yet to gain the trust of financial institutions and consumers alike. But if and when it happens, widespread adoption will happen quickly. Change is currently focused on disruptive innovation but will become more mainstream as industry alliances such as R3 and regulatory acceptance grows."*

To highlight that the Barclays Africa has been experimenting with blockchain for some time, Baker cited that that bank launched an Africa-wide blockchain Supply Chain Challenge through its Rise innovation initiative in 2015 and co-hosted the second Blockchain and Bitcoin Africa Conference this year.



◆ [R3 \(/tags/r3\)](#) ◆ [Africa \(/tags/africa\)](#) ◆ [Banks \(/tags/banks\)](#)

◆ [Barclays \(/tags/barclays\)](#)

Comments

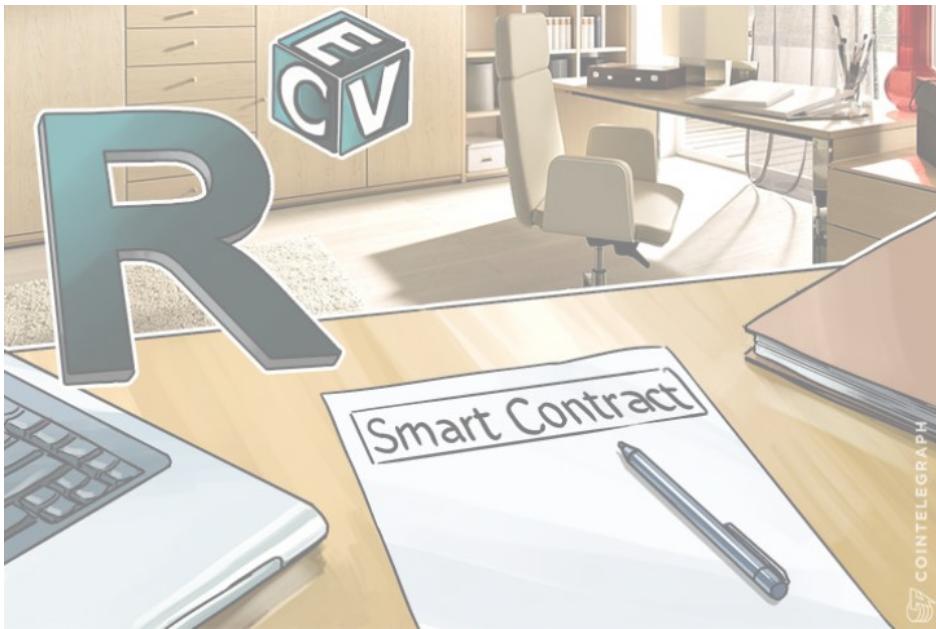
Author Guest Author

2016-07-15 10:05 AM

## R3-led Group Investigates Smart Contract Templates for Blockchain, Aims At Making Them Admissible in Courts

894 Total views

102 Total shares



R3 consortium is spearheading efforts to develop and implement master templates for smart contracts.

Following the R3 Smart Contract Templates Summit in London and New York in late June, R3 has agreed to collaborate with a working group of its consortium members, standards bodies, law firms, academic institutions, exchanges and market infrastructure providers.

The group includes Barclays, the International Swaps and Derivatives Association (ISDA), Norton Rose Fulbright and University College London (UCL).

The group's aim is to develop repositories of smart contract templates for banks to download and use on blockchain-inspired platforms, such as R3's Corda.

At the summit the group discussed potential roadmaps for development. The short-term focus is on understanding the challenges of connecting existing real-world legal contracts, for products such as interest rate swaps, to smart contracts.

The R3 Smart Contract Templates Summit's presentations are now publicly available online here ([static1.squarespace.com/static/55f73743e4b051cfcc0b02cf/t/5784f5dbebbd1aba2d3e400e/1468331499513/R3+Smart+Contract+Templates+Summit+\\_FINAL.pdf](https://static1.squarespace.com/static/55f73743e4b051cfcc0b02cf/t/5784f5dbebbd1aba2d3e400e/1468331499513/R3+Smart+Contract+Templates+Summit+_FINAL.pdf)).

### Smart contracts to be admissible in courts

Currently each bank stores its own instance of contracts, which can introduce inconsistencies and reconciliation challenges. Smart contracts operating on distributed and shared ledgers enable each of the parties to see the same agreed set of legal documents.

The group's longer term goals include working with the legal community and academics to investigate how to take smart contracts to a point where they can be admissible in court and used for entry into dispute resolution.

An update will be given at the second R3 Smart Contract Templates Summit later this year.

### Barclays supports fintech startups

Richard Brown (<https://ru.linkedin.com/in/gendal>), Chief Technology Officer at R3, commented:

*"The promise of distributed ledger technology is that we can move to a world where sophisticated financial agreements between firms can be recorded and managed consistently and accurately without duplication, error or unnecessary cost. However, for this vision to be realized, more than just innovative technology is required: this technology must be embedded in a broader legal context and be sympathetic to the reality of business. Earlier this year, we collaborated with Barclays to demonstrate how Smart Contract Templates and R3's Corda platform could work together to provide a workable and understandable bridge between the worlds of law and technology - and were delighted by the interest this created in the broader community and the interest in our Smart Contract Templates summit."*

Dr. Lee Braine, Investment Bank CTO Office at Barclays, commented:

*"Barclays has been actively engaging in the blockchain field for two years, including experimenting with vendor products, supporting innovative startups via the Barclays Accelerator, and participating in industry consortia such as the R3 consortium and the Post-Trade Distributed Ledger Group. This year, Barclays Investment Bank has explored smart contracts in greater depth by leveraging its technology, legal and front-office teams - and collaborating with industry and academia through open innovation. In April, we demonstrated a Smart Contract Templates prototype creating an ISDA agreement and an interest rate swap trade that then executed as a smart contract on R3's prototype Corda platform. We were delighted to participate in the recent R3 Smart Contract Templates Summit and it was inspiring to hear the views from industry, standards bodies, law firms and academia on how these emerging technologies could progress. We look forward to ongoing collaboration and the second summit in the autumn."*



## Blockchain in derivatives market

Clive Ansell, Head of Market Infrastructure and Technology at ISDA, commented:

*"Technology is becoming ever more important in derivatives markets, as participants look for ways to enhance the efficiency of their operations. ISDA is committed to supporting innovations in technology, and smart contracts represent one area where considerable opportunity exists. ISDA's existing suite of derivatives documentation, developed over many years, provides a basis to explore this further. The R3 Smart Contract Templates Summit provided a great opportunity for market participants to collaboratively work to drive technology opportunities like this forward, and ISDA is committed to working with all market participants to ensure markets continue to function safely and efficiently."*

Dr. Chris Clack, Senior Lecturer at University College London, commented:

*"The R3 Smart Contract Templates Summit provided an excellent opportunity to connect academia with lawyers and technologists in financial services. This included discussing different ways of modelling smart legal agreements and considering a potential roadmap of increasing sophistication. UCL's Centre for Blockchain Technologies is exploring the academic foundations behind such ideas and looks forward to further participation at similar events."*



Sean Murphy, Head of Global Distributed Ledger and Blockchain Practice at Norton Rose Fulbright LLP, commented:

*"Smart contracts are receiving significant commercial attention, and for good reason. As highlighted in the R3 Smart Contract Templates Summit, smart contracts have the potential to transform businesses and deliver significant cost savings by automating and streamlining contracting processes. However, careful legal and regulatory analysis will be required as part of the risk assessment involved in using this technology. Our dedicated fintech practice is helping our clients to identify, manage and mitigate legal and regulatory risks associated with the use of smart contracts."*

## About R3

R3 is leading a consortium with over 50 of the world's largest financial institutions to develop commercial applications for the financial services industry that leverage the elements of distributed and shared ledger technology.

◆ [R3 \(/tags/r3\)](#) ◆ [Smart Contracts \(/tags/smart-contracts\)](#)

◆ [BlockChain \(/tags/blockchain\)](#) ◆ [Barclays \(/tags/barclays\)](#)

◆ [Startups \(/tags/startups\)](#)

## Comments

Author Olusegun Ogundehi

2016-07-14 03:52 PM

## IBM to Open Innovation Centre in Singapore, Focusing on Blockchain Apps

744 Total views

116 Total shares



The growing disruptive implications of Blockchain in a range of settings including the financial and health sectors is key to IBM's decision to open an innovation center in Singapore.

According to the Vice President, Global Labs at IBM Research, Robert Morris, this first collaboration between IBM and the private sector and multiple government agencies within the same country to explore the use of Blockchain and cognitive technologies will aim at improving business transactions across several different industries.

He said:

*"Now with new cloud services that make these technologies more accessible, leaders from all industries are beginning to take note of the resulting profound and disruptive implications in a range of settings including finance, banking, IoT, healthcare, supply chains, manufacturing, technology, government, the legal system, and more."*

A recent report entitled 'Understanding Blockchain Technology And What It Means for Your Business ([www.dbs.com.sg/treasures/aics/GenericArticle.page?dcrPath=templatedata/article/generic/data/en/GR/022016/160225\\_blockchain.xml](http://www.dbs.com.sg/treasures/aics/GenericArticle.page?dcrPath=templatedata/article/generic/data/en/GR/022016/160225_blockchain.xml))', by Southeast Asia's largest bank, DBS Bank, says the most transformative blockchains will be those that can work across geopolitical boundaries and Southeast Asia has the most potential that can be unlocked with this technology.

It says further that the potential for blockchains to add value is higher if used collaboratively across industry/workflow.

## Working with government

IBM will collaborate with the Singapore Economic Development Board (EDB) (<https://www.edb.gov.sg/>) and the Monetary Authority of Singapore (MAS) ([www.mas.gov.sg/](http://www.mas.gov.sg/)) to work with government, industries and academia to develop applications and solutions based on enterprise blockchain, cybersecurity, and cognitive computing technologies.

It will also work with the world's largest container transhipment port, PSA Singapore Terminal (<https://www.singaporepsa.com/>), to create a trade ecosystem which connects emerging financial technologies with the physical world of global trade and logistics.

With plans to co-create cutting edge digital solutions for global markets from Singapore, IBM will also engage with small- and medium-sized enterprises to create new applications and grow new markets in finance and trade.

Over the next three years, the Innovation Center is expected to deliver a number of technology pilots across the finance and trade industries that will build on IBM's work with the Linux Foundation Hyperledger (<https://www.hyperledger.org/>) platform.

◆ [IBM \(/tags/ibm\)](#) ◆ [Applications \(/tags/applications\)](#)

◆ [Blockchain \(/tags/blockchain\)](#) ◆ [Singapore \(/tags/singapore\)](#)

Comments

Author [Rebecca Campbell](#)

2016-07-14 09:40 AM

## Bitcoin Blockchain Proof-of-concept: Storj and Counterparty Partner to Add Support for Payment Channels

**1521** Total views

**199** Total shares



Counterparty ([counterparty.io/](http://counterparty.io/)), the technology for decentralized financial tools on the Bitcoin blockchain, and Storj (<https://storj.io/index.html>), the first decentralized, end-to-end encrypted cloud storage that utilizes blockchain technology, have teamed up and combined resources to develop payment channel technology for use on the Counterparty network.

CoinTelegraph spoke to Trevor Altpeter and Matt Young, directors of the Counterparty Foundation, about the partnership with Storj, micropayments, and the Lightning Network (<https://lightning.network/>).

### Storj's micropayment streaming of SJCX

Starting in the third quarter of this year, Storj's micropayment streaming of SJCX (Storjcoin X), will be beta tested for those storing data on the Storj network.

"Payment channels allow for instant, 'streaming' payments of SJCX, which is a Counterparty token, in exchange for storage space on our network," Shawn Wilkinson (<https://www.linkedin.com/in/shawn-wilkinson-4b2899b1>), CEO of Storj, recently said in a press release.

Codenamed picopayments, Storj's original proof-of-concept project was led by Storj developer Fabian Barkhau (<https://storj.io/team.html>). Around a month ago, Barkhau and Counterparty lead developer, Ruben de Vries (<https://www.linkedin.com/in/ruben-de-vries-88813144>), started collaborating to make the code ready for addition to counterparty-lib, the Counterparty reference client.

"We're excited about this development and appreciate the initiative Storj took here," said Ruben de Vries, in a press release.

He notes:

*"This is a huge step forward that will truly allow for rapid, almost frictionless Counterparty token payments, as well as eventual use of Counterparty tokens on the Lightning Network."*

## Distributed object storage

Speaking to CoinTelegraph, Matt Young (<https://www.linkedin.com/in/mattlyoung>), director of the Counterparty Foundation, said that it was a privilege to have one of the highest profile projects on Counterparty contribute to extending the functionality of the protocol, working together to develop the payments channel feature.

Young explains:

*"It's a win win and truly everyone benefits: Storj, Storj users, the Counterparty protocol and its users. We can't say enough about Shawn and Fabian and we're looking forward to collaborating with other projects."*

This partnership between Counterparty and Storj will be highly visible given Storj's partnership with Microsoft's Blockchain-as-a-Service (BaaS) earlier this year.

In a recent Storj blog post ([blog.storj.io/post/142435522148/storj-labs-joins-the-microsoft-azure-blockchain](http://blog.storj.io/post/142435522148/storj-labs-joins-the-microsoft-azure-blockchain)) companies such as Coca-Cola, Cox Enterprises, The Weather Channel, and Capgemini, are noticing the impact of distributed object storage and are exploring the benefits that Storj can produce in their businesses.

In the blog post, Ethereum founder, Vitalik Buterin said:

*"Distributed file storage systems like Storj have the potential to eliminate high mark-up costs and market inefficiencies, and provide a much higher level of privacy, reliability, and quality of service than we see today."*

Speaking to CoinTelegraph, Trevor Altpeter ([counterparty.io/team/trevor-altpeter/](http://counterparty.io/team/trevor-altpeter/)), director of the Counterparty Foundation summed it up by saying that "it was a great match for both parties and the Counterparty community at large."

## Unidirectional and bidirectional micropayments and the Lightning Network

Previously, each Counterparty transaction was undertaken through the Bitcoin blockchain. However, while this was a secure process each transaction was impacted by Bitcoin's ten-minute block times and high transaction fees.

According to Counterparty, payment channels allow two users of Bitcoin to pay between them in a process time that is much quicker than Bitcoin's 10-minute block times.

Young explained to CoinTelegraph that discussions are circulating regarding what will happen to Bitcoin's utility for small transactions as the block reward continues to decrease and the price per transaction increases.

Young notes:

*"Payment channels and the Lightning Network are helping to solve that problem by allowing a number of transactions to be bundled together and paying a much smaller fee per transaction. We're very excited that Storj was able to implement this functionality on Counterparty and we look forward to working with them on other efforts in the future."*

In its current state, the technology facilitates unidirectional payment channels, where Storj and other Counterparty users can stream payments in SJCX or other assets to users.

With a unidirectional micropayment channel, an individual can utilize this channel to pay for goods or a service as long as that channel remains open between both parties thus removing the worry of double spends, fraud, and excessive transaction fees.

However, this form of payment channel is limited due to the fact that while Peter can pay Bob several off-chain transactions, Bob can't pay Peter through the same channel.

This is where the upcoming Lightning Network comes in with the proposed bidirectional payment channel by Joseph Poon and Tadge Dryja.

Even though it's still under development, the Lightning Network aims to provide a secure network that delivers off-chain payments between two parties.

### The most anticipated technological invention

Since the introduction of the payment layer by Poon and Dryja, the Lightning Network has quickly become the most anticipated technological invention to be put into place on top of Bitcoin.

Its aim is to preserve Bitcoin's decentralized qualities while delivering a secure transaction network minus Bitcoin's cost, speed, double spend issues, and scalability limitations.

The use of micropayments is also a crucial first step in Counterparty's long-time stated goal of enabling bidirectional micropayments allowing two parties to swap Counterparty assets in return for Bitcoin or other Counterparty assets.

Just like the unidirectional micropayments, the bidirectional payment channel won't be subject to Bitcoin's ten-minute block time.

Some potential uses for micropayments include buying in-game items with Counterparty-based games such as Spells of Genesis ([cointelegraph.com/news/digital-trading-card-gaming-at-the-genesis-of-evolution](http://cointelegraph.com/news/digital-trading-card-gaming-at-the-genesis-of-evolution)) or SaruTobi, donations to charities, rewarding users for contributing content to a blog or even buying more storage with Storj.

Of course, while there are some shortcomings of the bidirectional payment channel such as having a limit on the number of transactions individuals can make with a microchannel, Altpeter says that "it will be a huge advance that will enable rapid, cheap, off-chain transactions for numerous uses of Counterparty."

- ❖ Bitcoin (/tags/bitcoin) ❖ Blockchain (/tags/blockchain)
- ❖ Proof-of-concept (/tags/proof-of-concept) ❖ Storj (/tags/storj)
- ❖ Counterparty (/tags/counterparty)
- ❖ Payments (/tags/payments) ❖ Partnership (/tags/partnership)

#### Comments

Author Shivdeep Dhaliwal

2016-07-13 02:50 PM

## Empowered with IoT, Will Blockchain Lead to More Freedom or Less?

1040 Total views

183 Total shares



There is an episode of South Park title Crème Fraiche which lampoons the rise of cooking shows and food TV. Randy takes up cooking and tosses in Crème Fraiche in everything he creates.

Blockchain is the new Crème Fraîche, whether you like it or not. Everyone is finding an application or two of the technology behind Bitcoin and trying to solve any number of problems using the open ledger technology. While innovation and creativity aren't necessarily bad things, too much of a good thing can lead to problems.

A lot of people are playing with Blockchain at the moment which includes security companies, large banks, governments, private individuals, stock exchanges and others. All of these people realise that Blockchain's ability to handle transactions without a central framework is important for the future.

The problem though may lie in areas where there is a free for all.

### An identity crisis

A digitally verifiable identity document is the solution to many of the world's problems according to the proponents. They claim that having a unique identity document can help narrow down people who are in need of benefits and enable them to access a system where their needs can be met.

In India the government is currently implementing an ID programme called 'Aadhar' ([timesofindia.indiatimes.com/city/patna/Aadhar-number-a-must-for-pensioners/articleshow/53133791.cms](http://timesofindia.indiatimes.com/city/patna/Aadhar-number-a-must-for-pensioners/articleshow/53133791.cms)) which loosely translates into English as basis. This programme, while successful, has raised concerns over privacy and security of the data that the government has collected.

Personally I have avoided getting a government issued biometric identity managed by a central Identification Authority as is the case with Aadhar, because I have real world concerns about this data being lost or falling into the 'wrong hands'.

There is an alternative way of creating digitally verified identification documents as well, and that involves using the Blockchain. In its sustainable development agenda, the United Nations say that they would like to provide legal identity for all including birth registration by 2030.

The UN is considering a Blockchain approach and has met with industry people in this regard. However this push for the need for everyone to have an identity is also a concern for those of us that would like freedom from a future where we are forced to prove who we are at the drop of a hat by the powers that be.

However, at the moment the positives seem to outweigh the negatives. Alex Matanovic, CEO of EC District ([www.ecd.rs](http://www.ecd.rs)), says in response to a question whether digital identity will be based on a Blockchain run solution:

*"I definitely think that is going to happen, sooner or later. I still have no idea how it is going to look like, but I am looking forward to it. I am sure that type of solution will solve many problems we have now, but also create some new problems that we will be tackling in years to come."*

### The Internet of things

It has already begun, our devices are talking with each other. Fridges and Toasters talking with each other for the betterment of humanity or at least that is the idea.

However the question at the centre of this development is who controls the flow of data and who has access to all the information that is generated.

There are valid concerns about the misuse of such data by a central authority. A Blockchain of things could indeed help decentralise this information but then again the problems surrounding the openness of this data creep into the equation.

The truth is that while the bitcoin Blockchain has existed now for a while, there are valid concerns about how safe and secure it would be when exported to a universal Blockchain of things.

When we talk about the internet of things we are talking about an unknown realm. Will this Blockchain be open to theft, hacking or a possible failure? The answer to this is unknown at the moment.

### A complete shift to cryptocurrency

Many central banks are now experimenting with Blockchain technology. We have already covered the Reserve Bank of India's interest ([cointelegraph.com/news/indias-central-bank-looks-at-blockchain-to-curb-cash-use-improve-tax-collection](https://cointelegraph.com/news/indias-central-bank-looks-at-blockchain-to-curb-cash-use-improve-tax-collection)) in Blockchain as well as the Dutch Central Bank's efforts in this direction ([cointelegraph.com/news/the-dutch-are-betting-on-blockchain-for-their-financial-system](https://cointelegraph.com/news/the-dutch-are-betting-on-blockchain-for-their-financial-system)).

In a future where all the money is cryptocurrency and all of which is based on Blockchain technology, certain risks will present themselves.

One of the biggest problems would be that every single transaction would or could be in the open domain. Even if it were not to be, authorities would still be able to trace every transaction and know who spent how much on what exactly. While this could have potential benefits of deterring crime, it is also a massive invasion of privacy.

David V Duccini (<https://twitter.com/thelittleduke>), Executive Director of Strength in Numbers Fundation, says:

*"The transactions themselves are essentially anonymous in that the chain doesn't hold WHAT was acquired, all we know is that two or more parties transacted — and THAT information is certainly valuable if say a narcotics or illicit drug dealer's wallet identity was known and then any and all transactions to/from it would in effect identify his users and likely his suppliers. Unwitting victims might fall under suspicion if you meet him in coffee shop and buy a cell phone off of him from a local swap board (like craigslist in the USA)"*

### In the end it cuts both ways

Blockchain is an amazing technology which has the potential to be applied in a myriad of ways but in the end it also can cut both ways. The open ledger system while giving a lot of power to individuals also has the disturbing potential to leave them exposed.

The trick lies in the implementation of the Blockchain and the concerns of privacy, security and flawless execution have to be addressed in the real world. This means that we need scrutiny as well as experimentation to make sure that things go smoothly.

The dangers of a centralised system are no less than the dangers a distributed system brings with it. Ultimately it is about taking an approach and factoring in security and safety of the individual end user.

Blockchain has arrived and is here to stay, and it is only a matter of time before we see it all around us.

➔ [BlockChain \(/tags/blockchain\)](#)

➔ [Internet of Things \(/tags/internet-of-things\)](#)

➔ [Cryptocurrencies \(/tags/cryptocurrencies\)](#)

Comments

Author lyke Aru

2016-07-12 05:48 PM

## Digital Trading Card Gaming at the 'Genesis' of Evolution

1662 Total views

209 Total shares



When blockchain use cases became a wondrous thought for developers keen on the technology, gaming may not have been highest on the list of ideas. However, the emerging technology — better understood as a decentralized or distributed ledger — sits at the core of the next evolution of digital trading card games (TCGs).

Switzerland-based mobile game developer, EverdreamSoft ([www.everdreamsoft.com/](http://www.everdreamsoft.com/)), is said to be set to take the digitized genre a step further by way of innovating its TCG's economy, building into it, blockchain technology.

## The aspects of evolution

Launching in full this September, the digital TCG, Spells of Genesis ([www.spellsongenesis.com/](http://www.spellsongenesis.com/)) (SoG), incorporates blockchain technology on two fronts, in real-world terms and within the game, allegorically.

The game's storyline is buttressed by collaboration and event-based cards associated with the blockchain industry, while the decentralizing technology offers a network for peer-to-peer interaction, facilitating and securing the exchange of assets.

In the case of SoG, EverdreamSoft founder and CEO Shaban Shaame ([www.linkedin.com/profile/view?id=AAEAAAGlwukBxYXqoGpS7hbunyC73bl4UZ5EqNs](http://www.linkedin.com/profile/view?id=AAEAAAGlwukBxYXqoGpS7hbunyC73bl4UZ5EqNs)) explained, in-game assets are tied to Bitcoin's blockchain via Counterparty, an open source distributed cryptocurrency platform that harnesses the power of the Bitcoin network.

Last August, the company launched a crowdsale of its Counterparty assets to help fund development. These assets come in form of BitCrystals ([bitcrystals.com/](http://bitcrystals.com/)) (BCY) and act as the premium in-game currency to purchase items and are assets that can be traded freely on the blockchain, outside of the game.

## Additional features to come after test-running

Currently in beta, SoG has been operating under testing seasons, currently in the sixth iteration, with players rewarded with BCY for in-game achievements, essentially points gathered for the leaderboard.

When the game is launched in full, it will continue operating in this manner, with additional features like level creation and guilds, according to game designer Jasper Damman (<https://www.linkedin.com/in/jasper-damman-b2281091>).

However, seasons will run much longer, for about half of the year, and while it will still be leaderboard-based, the game will operate with a key pivot: the cards in-game will change with each new season.

In other words, there will be a new lot to take their place tantamount to what occurs in physical card games and collections, explained Shaame, increasing value of older editions or collections given the heightened rarity of the items.

"Right now we have pure blockchain cards. Those cards are sold only on the blockchain, but we also have off-chain cards, cards that are stored in our database — in the game database — the old-fashioned way," said Shaame.

A particularly alluring “asset” in SoG is the Satoshi card, based on Bitcoin’s enigmatic and anonymous creator Satoshi Nakamoto.

The Marketing Manager at EverdreamSoft, Marketa Kortová ([https://www.linkedin.com/in/marketakortova?authType=NAME\\_SEARCH&authToken=naOD&locale=en\\_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A101623600%2CauthType%3ANAME\\_SEARCH%2Cidx%3A1-1%2CtarId%3A1468145172888%2Ctas%3AKortov%C3%A1](https://www.linkedin.com/in/marketakortova?authType=NAME_SEARCH&authToken=naOD&locale=en_US&trk=tyah&trkInfo=clickedVertical%3Amynetwork%2CclickedEntityId%3A101623600%2CauthType%3ANAME_SEARCH%2Cidx%3A1-1%2CtarId%3A1468145172888%2Ctas%3AKortov%C3%A1)) explained that the card was initially created in a lot of 1,000. However, EverdreamSoft decided to “burn” or remove from the lot 800 copies before issuing out.

## The value of the digital cards

Kortová said 140 were gifted away during the token sale to backers that contributed a certain amount to the project, while several more were sold afterward during “flash sales”.

The current price for the Satoshi card is about 0.7 BTC, but the price point was lower than this at the start. On social forums like Reddit, card collectors haggle over pricing, with some placing the card at a current market value of around US \$2,500 (roughly, 3.7 BTC).

While value is subjective, the underlying significance is that blockchain technology allows these digital cards to attain a status representative of real assets. So, while playable as cards in-game, they are also tradeable or sellable online, peer-to-peer, utilizing the power of blockchain technology.

In game assets, such as cards, can be traded via personally set up and managed online “bots”, which are essentially personally-owned stores.

The venture is a pioneering blockchain project. Come fall, it could also spark an evolution in digital card collecting games — a billion-dollar genre — bringing to digital form what physical collections are representative of: a collectible, an investment, able to be bought, traded and exchanged.

EverdreamSoft is currently accepting applications ([https://docs.google.com/forms/d/194YiGe0WYL-rLgUgQAdFA8XhOHr56eIMEiy8l628Du8/viewform?c=0&w=1&usp=send\\_form](https://docs.google.com/forms/d/194YiGe0WYL-rLgUgQAdFA8XhOHr56eIMEiy8l628Du8/viewform?c=0&w=1&usp=send_form)) from blockchain-based companies that wish to have a card of their own within the realm of SoG.

➔ Games (/tags/games)

➔ Spells of Genesis (/tags/spells-of-genesis)

➔ Blockchain (/tags/blockchain)

➔ EverdreamSoft (/tags/everdreamsoft)

Comments

Author Niall Maye

2016-07-12 12:59 PM

# Razormind Targets Ethereum by Crowdfunding DeOS Blockchain on July 15

3281 Total views

182 Total shares



Ethereum's rival Razormind ([www.razormind.co.uk/](http://www.razormind.co.uk/)) has released details of the crowdsale for their DeOS tokens ȐEOS, the platform provisioning currency which begins this Friday July 15 at 12pm GMT.

The ȐEOS tokens can be used to register smart assets, register identities, submit smart contracts and further down the line they will be able to be used to purchase decentralized storage.

## Confident of security

The company must be very confident of the security and potential of their blockchain and smart contract token based project to go live with this so soon after the problems which have hindered Ethereum's progress, beginning with their DAO experiment ([www.forbes.com/sites/francescoppola/2016/06/20/the-dao-hacking-shows-that-coders-are-not-infallible/#41eac462125d](http://www.forbes.com/sites/francescoppola/2016/06/20/the-dao-hacking-shows-that-coders-are-not-infallible/#41eac462125d)).

Having the DeOS ([www.razormind.co.uk/architecture/](http://www.razormind.co.uk/architecture/)) platform built and working two years ago after their feature on 'Let's Talk Bitcoin' Episode 177 they opened DeOS for the 'Proof of Concept' stage for 1 month. People had access to the platform, a full desktop, and office. At this stage they had 27,000 daily active users; so they know it works and scales and I believe this has a big part to play in the confidence they have in going forward to the next level. This time around their focus is on smart contracts, a safe public blockchain free for business or personal use.

They say they are a Blockchain firm who build banking use-cases and claim to have over 30 proven built banking use-cases for Blockchain projects delivered through the financial industry, targeting specific pain points.



We have over **30** proven and built banking usecases for blockchain projects delivered throughout the financial industry. These target specific pain points.

Elevator Pitch

We are a blockchain firm who build banking usecases.

Assets	Mobile	Trading	Clearing	Contracts	IoT
Smart Assets	Mobile Payments	Debt Swaps	Clearing and Settlement	Smart Contracts	Custom IoT Chains
Digital Bank	Mobile Analytics	Trade Finance	International Remittance	Equities	Supply Chain
Blockchain Audit	Mobile Big Data	Exchanges	Regional Currency	Shared Audit	Realtime Risk Analytics
Private Chains	Decentralized Apps	Capital Markets	Inter-bank Ledgers	Digital ID	Big Data Blockchains
Digital Identity	Investment	Post Trade Loans	Credit Risk Management	Market Risk Management	Decentralized Computing

The company are building these for "signed" banking clients around the world.

Razormind's CEO Jawad Yaqub shared with Cointelegraph the details of the crowdsale.

### CoinTelegraph: So when does the crowdsale go live Mr Yaqub?

**Jawad Yaqub:** The crowdsale starts on July 15th, 12:00 PM GMT. The DeOS crowdsale is supervised by the Omni Foundation ([www.omni.foundation/](http://www.omni.foundation/)). They have access to all transactional information, with their executives serving in the role of trustees for the DeOS tokens. Razormind has no access to these funds without their approval. We are taking great care to secure and safeguard all funds for this crowdsale.

### CT: How is the money being put to work?

**JY:** DeOS money is used to directly fund and maintain the first few generations of the DeOS network. Developing, Deploying, Securing, Testing, Monitoring, Analysing, and Scaling the seed network, the data layers etc. A portion of the cost will go towards developing and releasing the following DeOS Features: Clients for Desktop, Clients for Mobile, Language APIs, Blockchain As A Service, Smart Contracts, Decentralized Storage, Decentralized Computing, Language IDEs and Dockerised Deployment.



It is estimated there will be 1 major release per month with features from the list above. With the final Decentralized Computing release in beta November and live December. As we progress we will release regular updates on DeOS

platform progress and spending. Resource estimates and delivery performance will be visible to the community.

This is part of our commitment to transparency. In summary, when you buy ĐEOS, you're getting early, exclusive access to the DeOS platform. You get a blockchain you can use to register and trade assets, and a place to store information in a secure decentralized cloud. And, you're joining a family of fellow human beings who want to change how we live in the digital world for the better.

#### **CT: What is the price of ĐEOS?**

**JY:** 16th July – Week 1: 1000 ĐEOS (Đ) per Bitcoin, 22nd July – Week 2: 500 Đ per Bitcoin, 29th July – Week 3: 250 Đ per Bitcoin, 5th August – Week 4: 125 Đ per Bitcoin, 12th August – Week 5: 50 Đ per Bitcoin and 19th August – Week 6: 25 Đ per Bitcoin.

#### **CT: Are there any other ways to get DEOS?**

**JY:** 1. Trade your Smart Assets with others for either ĐEOS or cash. 2. Write a Smart Contract that others pay ĐEOS to use. 3. Buy ĐEOS from banks, shops, or online.

#### **CT: How long will the crowdsale last?**

**JY:** The crowdsale will be open for 42 days or until all Đ are sold whichever is sooner.

#### **CT: How will the sale work?**

**JY:** All you have to do is sign up with your email, receive a BTC address, send as many BTC as you like to it, and wait until the sale is over to receive ĐEOS to that address. Make sure for your own security that you're sending BTC from an address under your direct control; no exchanges, no Coinbase, no Circle etc.

All bitcoins received will be kept in a multi-sig wallet. This protects the funds received from any one point of failure, whether theft, the loss of a key, or the inability of one holder to access the wallet. Some of the keys will be kept by external accounting firms.

You can register for the sale by sending an email to deos@razormind.co.uk - the sale will begin at 12 noon this Friday.

◆ Razormind ([/tags/razormind](#))

◆ Crowdfunding ([/tags/crowdfunding](#))

◆ Crowdsales ([/tags/crowdsales](#)) ◆ Tokens ([/tags/tokens](#))

◆ Security ([/tags/security](#))

Comments

Author Joël Valenzuela

2016-07-12 11:44 AM

# Kim Dotcom: Megaupload and Bitcoin Had Sex, Baby Will Be Such a Joy

2095 Total views

158 Total shares



Megaupload will be back soon, and this time, it will involve Bitcoin.

Kim Dotcom, founder of the former popular filesharing website, announced the planned union of the site's second coming with cryptocurrency via a saucy metaphor on Twitter:



**Kim Dotcom**

@KimDotcom

Follow

I can tell you that Megaupload and Bitcoin had sex. There is a pregnancy and I have a feeling that the baby will be such a joy.

8:49 PM - 9 Jul 2016

443 793

## Megaupload's long-awaited resurrection

After a shutdown by the US government and unsuccessful attempts at a relaunch over the following years, Megaupload 2.0 will be back next year. It will include over 100 gigabytes of free storage, no data transfer limits, and on-the-fly encryption. Additionally, Dotcom plans to deploy the original Megaupload user database (<https://torrentfreak.com/megaupload-2-0-to-launch-with-original-megaupload-user-database-160708/>), inviting the original 100 million users to join the new site with premium privileges, instead of starting from scratch with no user base.

The relaunch of Megaupload is slated for January of 2017, the five-year anniversary of the closure of its original iteration and the raid ([arstechnica.com/tech-policy/2012/04/raid-of-dotcom-mansion-was-videotaped-but-the-footage-is-nowhere-to-be-found/](http://arstechnica.com/tech-policy/2012/04/raid-of-dotcom-mansion-was-videotaped-but-the-footage-is-nowhere-to-be-found/)) on Dotcom's mansion.

### An integral part of upcoming decentralized internet project MegaNet

Dotcom plans to have Megaupload 2.0 become an integral part of MegaNet ([cointelegraph.com/news/kim-dotcom-to-use-blockchain-smartphones-to-build-a-decentralized-internet](http://cointelegraph.com/news/kim-dotcom-to-use-blockchain-smartphones-to-build-a-decentralized-internet)), an upcoming project to decentralize the internet using blockchain technology and smartphones. The plan is to get millions of smartphones worldwide to use the MegaNet app, together providing enough bandwidth, calculating power, and storage through those devices to launch a decentralized and censorship resistant version of the internet.

MegaNet is slated for release sometime in 2018 at the earliest.

◆ Kim Dotcom ([/tags/kim-dotcom](#))

◆ Megaupload ([/tags/megaupload](#)) ◆ Bitcoin ([/tags/bitcoin](#))

◆ MegaNet ([/tags/meganet](#))

Comments

Author Adam Wyatt

2016-07-11 10:50 AM

## Bitcoin Price Remains in a Trading Range After Halving

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1786 Total views

83 Total shares



*Analytics provided by BBA (<https://www.bullbearanalytics.com/>)*

As the Bitcoin community celebrates the 2nd successful quadrennial block reward halving, market participants seem less enthusiastic about the event. Economics will trump speculation eventually, but directionless volatility might be here to stay for a bit.

The Bitcoin halving is a seminal and historical event that carries significant meaning for almost everyone involved. It is yet another example of Bitcoin's monetary predictability, and perfectly juxtaposes the legacy system which has never been good at following through on promises. We now enter a new era of Bitcoin, one in which the economics will shift in dramatic ways and will usher in new dynamics in Bitcoin markets.

Despite the fact that price has not yet reflected these new realities mainly for technical reasons, they will be priced in eventually as natural market forces go to work. Until then, however, we are stuck trading the market we are given.

### Trends and patterns

The daily chart of Bitstamp below is the best view we have of the medium term technicals for bitcoin, and generally speaking things remain relatively bullish. We can see that the \$150 - \$250 range was the long term accumulation range, \$350 - \$450 was the initial consolidation range, and now the market is putting in a pennant (aka triangle) formation that tends to be a bullish pattern (secondary consolidation range).

Fibonacci analysis is confirming this hypothesis as support has been seen at the 50%, 61.8%, and 78.6% levels, telling us that buyers remain steadfast in the low \$600's. Also notice that \$700 - \$775 is a rather substantial resistance area, although volume is saying that it's not as heavy as would be expected.

Additionally, momentum still looks rather weak with RSI slowly creeping lower and MACD staying below the centerline, while the 9/18 EMA cross turns bearish once again. Conversely, the A/D line

(accumulation/distribution line) remains firmly in an uptrend signaling demand at current levels, and the 200-day SMA is still moving higher.

Over the near term, if the bullish pennant fails around \$620 then we should be looking at sub-\$600 in the not too distant future, having said that the medium term outlook continues to favor the bulls.



### Bitcoin price: what to expect?

What does the near future hold for the bitcoin price? The 6-hour chart below tells the story all too well. Following the regional highs near \$800, price has since pulled back into a trading range between \$550 and \$775 as gains from the Spring rally are consolidated.

This range has been created by an area of strong historical resistance on the upside and strong demand support on the downside, both of which will be difficult to break through, which makes us think we could be stuck here for quite a while.

Volume profile looks healthy, the momentum oscillators are flat while the A/D line slowly rises, and support in the form of the medium term uptrend line and 200-period SMA are keeping the market elevated. A breakdown below the ~\$620 level would portend lower prices over the next week or two, likely probing back below \$600 .

Despite what could be a choppy and frustrating post-halving digestion period, we think this can be used to reinforce positions for the eventual move out of the current consolidation range. Neutrality and patience will likely be valuable in this environment, although nimble traders might consider a “buy the dips, sell the rips” mentality for the time being.



## BullBear Analytics

BullBear Analytics is the longest standing cryptocurrency forecasters in the market. They started in 2010, doing technical reports in bitcointalk.org, and have evolved into a buzzing community of traders. Adam is BBA's chief analyst.

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👉 [Bitcoin \(/tags/bitcoin\)](#)    📈 [Bitcoin price \(/tags/bitcoin-price\)](#)

👉 [Bitcoin Halving \(/tags/bitcoin-halving\)](#)

Comments

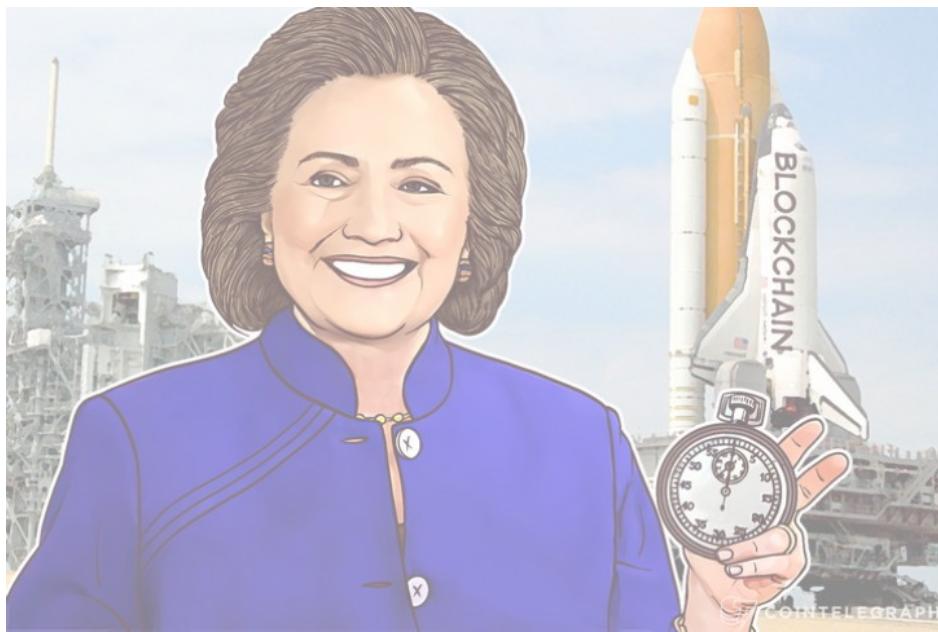
Author Jacob J

2016-07-11 09:30 AM

## Could Hillary Clinton as President Give a Boost to Blockchain Tech?

1185 Total views

135 Total shares



Hillary Clinton has announced her policy goals (<https://www.hillaryclinton.com/briefing/factsheets/2016/06/27/hillary-clintons-initiative-on-technology-innovation/>) for technology and innovation. Her goals include positioning American innovators as world leaders in technological revolutions, including public service blockchain applications. Could Hillary as president give a boost to blockchain technology?

## Hillary Clinton's Agenda

The Tech agenda announced by Hillary Clinton plans to use technology and innovation to boost the American economy and create good-paying jobs. Her plans include increasing spending commitments in computer science education, delivering high-speed broadband to all Americans, establishing rules to support innovation, and improving government efficiency by using new technology.

## Failure of Bitlicence

As Bitcoin and blockchain applications move to the mainstream, regulations have been framed by different agencies to govern them. Regulation can play a big role in the development of a new technology.

Bitlicense, a license for virtual currency activities in New York, has proved a dampener for the Bitcoin community. Only 2 licenses have been issued (Circle and Ripple) so far in almost a year since it was announced. With the high cost involved in obtaining a Bitlicense, many startups have decided to relocate from New York to friendlier places.

On the other hand, Bitstamp was granted a payment institution license by Luxembourg, allowing it to operate across Europe as a licensed bitcoin exchange. This reassured investors about the processes & policies in place at Bitstamp and will make it easier for the company to get funding from a wide range of investors.

## Blockchain recognition grows

Blockchain continues to find applications in multiple industries, and not just by the corporate world. Sweden ([cointelegraph.com/news/sweden-tests-blockchain-smart-contracts-for-land-registry](https://cointelegraph.com/news/sweden-tests-blockchain-smart-contracts-for-land-registry)) could become the first country to have its land registry on a blockchain, according to the Swedish Land Registry. The immutable nature of the blockchain has natural advantages in the storage of any official record, be it birth certificates, residency certificates or land records. Hillary Clinton seems to have recognized the potential of the blockchain in improving government efficiency.

➔ [Hillary Clinton \(/tags/hillary-clinton\)](#)

➔ [USA \(/tags/usa\)](#)

➔ [BlockChain \(/tags/blockchain\)](#)

➔ [BitLicence \(/tags/bitlicence\)](#)

➔ [Regulations \(/tags/regulations\)](#)

Comments

Author Olusegun Ogundesi

2016-07-09 09:25 AM

# Bitcoin Mining Company Admits Halving Will Affect Miners Payout From Monday

2899 Total views

232 Total shares



A day to block reward halving, Hashflare (<https://hashflare.io/>) has become one of the first Bitcoin mining companies to inform their miners that the proposed reduction in the mining reward will affect their payout, though it didn't say by how much.

In a message to its miners via email, Hashflare says:

*"We would like to remind you that this weekend Bitcoin mining reward will be reduced by 50%. This process, namely halving, is a part of Bitcoin system script and occurs every 210 000 blocks. The last halving was 4 years ago and the block reward went down to 25 BTC from 50 BTC."*

*"The halving will occur on Saturday, approximately at 20:30 (UTC+3). This means that the whole Bitcoin network will start getting a reduced mining reward. This will also be reflected in the payout you will receive on Monday."*

## Getting prepared

The company says its team has been getting ready for the event for a couple of months already and is currently preparing and installing new, more energy-efficient SHA-256 hardware.

It adds:

*"We are putting a lot of effort from our side to keep BTC mining profitable. In the nearest future we will be able to reduce the cost of electricity, lowering the electricity fees for SHA-256 contacts in HashFlare as a result.*

*We work hard to make our service better and we hope that our efforts make your cooperation with us more profitable and enjoyable."*

## Uncertainty remains

Most miners are not sure of what to expect after the halving. Also, not many mining companies so far have shown their identities or explained the dynamics of their operations.

Another mining company that has tried to avoid raising the hopes of its miners unnecessarily which could lead to blurry trust issues is Genesis Mining (<https://runcpa.com/getoffer/3883-94134e63241ffb219f2ecbe78b3bb34c>). Its CEO, Marco Streng, was able to share a little information when the World Economic Forum had a tour of its mining site. He disclosed that one Bitcoin costs about \$200 (<https://www.weforum.org/agenda/2016/06/these-photos-show-you-inside-an-icelandic-bitcoin-mine>) to mine - that is with a good deal on electricity and ignoring all other costs like good internet connections and a cold climate such as that which the company enjoys in Iceland where its operations are located.

However, despite the revealed cost and the current price of Bitcoin, the company did not say what to expect after the halving and continues to err on the side of caution. Rather it maintains on its Facebook page (<https://www.facebook.com/GenesisMining/>) that it is very difficult to forecast all consequences of this event. Streng even mentioned in an interview ([observer.com/2016/06/around-july-10-the-bitcoin-supply-will-grow-half-as-quickly/](http://observer.com/2016/06/around-july-10-the-bitcoin-supply-will-grow-half-as-quickly/)) that the halving event, despite known since the start of Bitcoin, could drive up the price in the case of a slow growth in its supply, or it might not do anything at all.

➔ Bitcoin Mining (</tags/bitcoin-mining>)

➔ Hashflare (</tags/hashflare>)

➔ Bitcoin Halving (</tags/bitcoin-halving>)

Comments

Author Shivdeep Dhaliwal

2016-07-08 03:29 PM

# The Dutch Are Betting on Blockchain for Their Financial System

2123 Total views

631 Total shares



De Nederlandsche Bank ([www.dnb.nl/en/home/](http://www.dnb.nl/en/home/)) (DNB), The Netherlands' central bank, is all set to support a new 'blockchain development campus', which will enable banks to develop and share information regarding the use of blockchain, the distributed ledger system behind Bitcoin.

The lowlands country has even appointed a new 'Fintech Ambassador' Willem Vermeend (<https://www.linkedin.com/in/willemvermeend>), a professor of Economics and a former minister of Social Affairs and Employment. He is expected to play the role of a bridge between the government, the fintech sector and the regulators.

## Everyone needs to work together

In order to facilitate learning and sharing of information among banks and other financial institutions, the DNB will open a campus in September.

Co-operation is certainly on the agenda as the Fintech Ambassador of the Netherlands Willem Vermeend told the Dutch daily De Volkskrant ([www.volkskrant.nl/economie/regering-opent-campus-voor-ontwikkeling-financiele-techniek-blockchain~a4332660/](http://www.volkskrant.nl/economie/regering-opent-campus-voor-ontwikkeling-financiele-techniek-blockchain~a4332660/)) that while there is creativity in the Netherlands, the problem is that there are twenty parties (working on blockchain) who have no idea what the others are doing.

As an example, ABN Amro has already deployed a team of 30 people to look at the possibilities of using blockchain-like systems within their bank. Rabobank too has signed up to a partnership with NexusLab to explore further possibilities.

## DNB has a finger in the fintech pie

This is not the first time the DNB has toyed with blockchain. In June, DNB's head of market infrastructures policy department, Ron Berndsen ([dutchblockchainconference.com/speakers/ron-berndsen/](http://dutchblockchainconference.com/speakers/ron-berndsen/)), had revealed details about the central bank's experiments with its own experimental currency called DNBcoin.

In a speech ([www.dnb.nl/binaries/Speech%20Ron%20Berndsen\\_tcm46-342846.pdf?2016062013](http://www.dnb.nl/binaries/Speech%20Ron%20Berndsen_tcm46-342846.pdf?2016062013)) given to the Dutch Blockchain Conference on June 20, 2016, Ron Berndsen revealed:

*"So last year we started our DNBcoin experiment. The general idea was that by adapting the Bitcoin software ourselves we could learn deeper how an actual implementation of the blockchain really works than if we would only perform desk research and go to conferences such as these, no matter how interesting. And just to avoid misunderstandings: the DNBcoin is only developed for internal test purposes, it will not be put into circulation."*

## Why are central banks interested in blockchain

The DNB is not the first central bank that is playing with blockchain technology. We previously reported that the Indian Central Bank, The Reserve Bank of India is exploring blockchain to curb the use of cash ([cointelegraph.com/news/indias-central-bank-looks-at-blockchain-to-curb-cash-use-improve-tax-collection](http://cointelegraph.com/news/indias-central-bank-looks-at-blockchain-to-curb-cash-use-improve-tax-collection)).

Bank of Canada and The Bank of England too have announced that they will look into blockchain as technology to achieve various ends. In the future there is a very real possibility that all money will be virtual and it is not surprising that central banks do not want to be left behind in the game.

The possibilities that the Blockchain technology offer are endless and it is best put in the words of Ron Berndsen of DNB who concluded his speech by saying:

*"History teaches us that when looking ahead into the distant future, it is wiser to predict that something is possible, rather than that something is impossible. The blockchain technology offers a number of advantages over existing technologies. But there are also some drawbacks and barriers to overcome."*

◆ [Blockchain \(/tags/blockchain\)](#) ◆ [DNB \(/tags/dnb\)](#)

◆ [Banks \(/tags/banks\)](#) ◆ [FinTech \(/tags/fintech\)](#)

◆ [Financial Systems \(/tags/financial-systems\)](#)

Comments

Author Olusegun Ogundesi

2016-07-07 05:15 PM

# Bitcoin's Possible Privatization: Has Blockstream Created Problem to Provide Solution?

1936 Total views

279 Total shares



Is the scaling effort leading to Bitcoin's privatization? NodeCounter.com ([nodecounter.com/](http://nodecounter.com/)) accuses Blockstream of crippling Bitcoin for financial gain.

Since Blockstream got involved in the scaling of Bitcoin, the issue of Bitcoin privatization has sprung up.

Blockstream (<https://blockstream.com/>) President Adam Back (<https://twitter.com/adam3us>) is of the view that a plan for scaling Bitcoin to handle more users over the next few years would double the on-chain ([https://en.bitcoin.it/wiki/Off-Chain\\_Transactions](https://en.bitcoin.it/wiki/Off-Chain_Transactions)) transaction capacity on the network three years in a row, while simultaneously allowing for the development of layer-2 solutions ([coinjournal.net/eric-lombrozo-bitcoin-needs-protocol-layers-similar-to-the-internet/](http://coinjournal.net/eric-lombrozo-bitcoin-needs-protocol-layers-similar-to-the-internet/)), such as the Lightning Network (<https://lightning.network/>), which could allow for millions or billions of transactions per second across the network.

To shed light on what it is, Back explained that Lightning Network transactions are real Bitcoin transactions that could be posted to the Bitcoin blockchain as a valid transaction though with a caching mechanism that collapses them so they don't all need to be sent to the blockchain.

## Bitcoin Core in the pay of Blockstream?

However, a main critic of this plan is NodeCounter.com, which accuses Blockstream of "currently paying off many of the key Bitcoin "Core" software developers" and having "directed the crippling of Bitcoin in order to provide the solution, for their own future, financial gain."

NodeCounter.com posted in a public service announcement ([nodecounter.com/node\\_donation\\_fund.php](http://nodecounter.com/node_donation_fund.php)):

*"These Blockstream-paid Bitcoin developers (for the Bitcoin "Core" software) are enforcing a limit on how much information can be transacted in Bitcoin. This is limiting the number of transactions to just 3 per second, approximately.*

*Blockstream is concurrently developing a "solution" to this problem, called the "Lightning Network". This "solution" is to be placed on top of the crippled Bitcoin network to allow it to scale. Blockstream will monetize the Lightning Network in the form of fees required to use their service."*

The following are views from two individuals with interest in the subject. Please note that one of them has chosen to be anonymous. However, we don't have any reason to believe that the non-disclosure of his identity has any major impact of his views as shared via email.

### **Lightning Network as the solution**

"Lightning allows Bitcoin network participant to process settlements with a lower time and CPU costs comparing to a traditional Bitcoin blockchain," says Mike Harrier, CTO BitcoinChain.com (<https://bitcoinchain.com/>). "In case a substantial number of users choose to utilize this mechanism, one can argue that the scaling problem is solved."

The anonymous respondent differs on this. The writer says LN is not a solution for scaling on-chain transactions as there is no tech for that yet.

*"LN scales off-chain transactions, it's quietly using smart contracts to execute behind the curtain. But it is a great scaling solutions nonetheless. LN It's just not perfect and not how users would like to see it. It's controversial, implementation of LN requires some trust in Blockstream – there is no guarantee LN will be decentralized. You can read a very good explanation of LN tech here ([coinjournal.net/a-simple-explanation-of-the-lightning-network](http://coinjournal.net/a-simple-explanation-of-the-lightning-network)) "*

LN is like a payment network, where everything happens very quickly and scales perfectly, but it does not happen directly as Bitcoin's Blockchain. And in the moment user would like to "withdraw" Bitcoin from LN, scaling wouldn't be this good. The plan is the majority of transactions will happen via LN, this way LN will work perfectly."

### **Blockstream created a problem to provide a solution?**

Harrier will not agree with the statement that the problem was created to provide a solution because Blockstream formalized a potential problem and speeded up its solution through certain ideas and concepts that secure the future of Blockstream's business.

"Nevertheless, the growing daily transaction number has recently become a more apparent problem, which may lead to some organizations not being able to maintain their operation rate without such a solution," he said.

The anonymous contributor considers the claim controversial, saying Blockstream looks in the future with views that differ from Satoshi's.

"They don't say it straightforward, but they do think that Bitcoin shouldn't be for everyone. They don't want to create super free, decentralized, open and cheap payment network. Probably because they think it's not a viable choice for Bitcoin," the writer stated, adding that increasing blocksize would help Bitcoin at the moment as blocks are full because of huge amount of microtransactions and fees are growing.

The contributor claims that Blockstream is doing what would make Bitcoin less appealing to the public.

*"I suppose they could increase blocksize to 2MB, but right now it is the matter of principle. Bitcoin with big blocks would be totally different from Bitcoin with small blocks, but with LN and SegWit. First one is mostly for people, the second one is mostly for business. Blockstream's plan has been to make Bitcoin a business. They are succeeding so far, the problem emerged because of Bitcoin popularity and huge community energy and ambition. But it's only natural that community and "board of directors" (metaphorically speaking) would want different things."*

## Danger of Bitcoin privatization

NodeCounter.com noted on its page that the only way for the private company, Blockstream, to be removed as the central authority over a crippled Bitcoin is for miners and pool operators (not users) to adopt a different implementation of Bitcoin, such as Bitcoin Classic as a failure to do so will result in "Blockstream's paid Bitcoin Core Developers to have unfettered control of the Bitcoin system for their own financial gain."

Harrier thinks privatization should not be implemented. He said Bitcoin has always been and will continue to be, first of all, a monetary unit.

*"Even Lightning Network uses bitcoins as a collateral. Therefore, from my point of view, privatization should not be the case."*

The anonymous contributor says what is about to happen is not privatization, citing conspiracy theories, but a change of philosophy. "It's basically impossible to privatize Bitcoin – too many people own Bitcoins, too many history, too many losses if this happens, and most important – it won't function properly without its blockchain, which can't be privatized.

Privatization talks are just conspiracy theories. But - Bitcoin could (and probably will) become much more centralized.

Community's idol is Satoshi Nakamoto, who wanted Bitcoin to be different from what it is now. But Satoshi is not here, he is not participating in Bitcoin development. Part of community feels that his views are outdated (they are even having proposals to update the whitepaper (<https://github.com/bitcoin-dot-org/bitcoin.org/issues/1325>)).

The only person who totally has been sharing his philosophy is Gavin Andresen, who had been a lead developer for a long time. Current devs pushed him out of the project, this was kind of ugly.

This also says something – they are trying to replace everybody with the “old views”. There is a “danger” of Bitcoin to be much more centralized. It would be totally different from the way it has been supposed to work. It would be a disappointment for people who have been believing in Bitcoin for years, but Bitcoin will live without these people. If Blockstream is here to stay (and it seems that it is), Bitcoin will be different.”

### Proposed way out

“I am confident that what we currently witness is global financial mechanisms being established,” Harrier says. “Thus, I wouldn't like to be affiliated with any party supporting any particular proposal. In my opinion, we all are definitely going to use smart contracts more in order to make settlements easier and faster. It's hard to predict whether side chains such as Lightning Network will be required. In any case, it is crucial that the active community participants put substantial effort in finding mutual understanding and a collaborative optimal solution to such problems.”

The anonymous writer proposes three ways.

*“First one – nothing happens. Bitcoin will probably be successful under Blockstream. It will bring miners the money, it will bring traders the money, and it will bring Blockstream and VCs the money. Bitcoin will lose its spirit and philosophy, but, basically, who needs it except relatively small group of people? There is need of progress too, and it's hard to achieve without people who are getting their pay check regularly.*

*Second way – rebellion happens. Right now opposition is relatively small, but if (for example) Satoshi will come back or/and Chinese miners suddenly will change their minds, or Blockstream screws up majorly, then Bitcoin will fork, and Bitcoin XT, Classic, Unlimited or some new fork will be executed as a main fork. Bitcoin will change. Blockstream will be pushed out of project. This way fully depends on miners (China).*

*Third way (idealistic) - Current devs will change their minds and philosophy and will go back to their roots. Bitcoin will be improved with LN, SegWit and everything else, but it will be for the greater good, not for the business causes. First one is more likely to happen. This is not a way out, this is a way all in. Second way is the only way out. Third one is a pure fantasy.”*

He concludes by saying:

*"Remember, the only solution is for MINERS and POOLS to adopt non-Core software."*

➔ Bitcoin (/tags/bitcoin)

➔ Lightning Network (/tags/lightning-network)

➔ BlockStream (/tags/blockstream)

➔ Adam Back (/tags/adam-back)

Comments

Author Niall Maye

2016-07-06 06:05 PM

## China's Baidu Enters FinTech, Invests in American Blockchain Company

1884 Total views

293 Total shares



Chinese search engine Baidu ([www.baidu.com/](http://www.baidu.com/)) has entered the financial revolution that is FinTech for the first time with an investment in an American Blockchain company.

Circle Internet Financial Inc. (<https://www.circle.com/>) was founded in 2013 by Jeremy Allaire and Sean Neville in Boston, Massachusetts and has an international operations headquarters in Dublin, Ireland.

The Bitcoin startup announced it had raised \$60 million in funding from a consortium which was led by IDG ([https://www.idg.com/www/home.nsf/docs16/our\\_company](https://www.idg.com/www/home.nsf/docs16/our_company)), an American based media, data and marketing services and venture capital organization.

Participants included Baidu, Breyer Capital (<https://breyercapital.com/>), General Catalyst Partners, CICC Alpha, China Everbright Investment and Assets Management, IBM's former chairman and CEO Sam Palmisano, and Silver Lake's co-founder Glenn Hutchins.

Peter Fang (<https://www.linkedin.com/in/petefang>), executive director of Baidu corporate development, says:

*"Circle is one of the most impressive startups in the blockchain technology space. Together with other influential investors, Baidu is very excited to partner with Circle team to build its vision successfully and globally."*

## Global payments network

Circle's news of entering the Chinese P2P payment market with Bitcoin and allowing users to realize the potential of rapid transfers with their friends was simultaneously announced with the partnership of Goldman Sachs and Barclays, which was the first time a European bank has allowed a digital currency company to use its infrastructure enabling it to transfer sterling, euro and dollars.

The company co-founders Sean Neville (<https://www.linkedin.com/in/seanneville>) and Jeremy Allaire (<https://www.linkedin.com/in/jeremyallaire>) noted that the company is building a global payments network that will soon enable users in the U.S., Europe and China to exchange value seamlessly and nearly instantly.

This enables users of their payment app to exchange sterling, renminbi, euro and dollars instantly and free by converting the fiat to Bitcoin and moving them across the Blockchain where transactions are verified and recorded.

Neville and Allaire say:

*"We want to connect consumers using dollars, pounds, euro and renminbi the same way that the web, email and other protocols have connected consumers globally."*

## Connecting China to the US and Europe

Now that Circle China has established its Chinese branch, they are aiming to capitalize on a population that is already comfortable with payments made over social media even though Bitcoin payments in China are currently not

officially recognized by the Chinese government as a legal means of funds transfer yet.

China already has a mobile payment and money management market dominated by local players Alipay and Tencent and Allaire says Circle won't try and compete with the dominant brands.

Allaire explains:

*"We actually have zero illusions that we can compete with those companies (Alipay and Tencent) in the domestic Chinese market. That is just not feasible. But what we can bring to the table for Chinese consumers connectivity to the US and Europe, and provide a seamless experience for sharing value."*

According to Allaire, the focus around Circle China is cross-border payments.

He notes:

*"If I'm a parent in China and my son is studying at London Business School, I might want to send 500 RMB. I should be able to do that and have my child instantly receive it as pounds sterling, in the same way people do that with instant messages today. We are leveraging the fact that we are licensed across the different zones to connect to those use cases."*

◆ [Baidu \(/tags/baidu\)](#) ◆ [Investments \(/tags/investments\)](#)

◆ [Circle \(/tags/circle\)](#) ◆ [FinTech \(/tags/fintech\)](#)

Comments

Author Guest Author

2016-07-06 04:24 PM

## Israeli Fintech Hybrid: Another Block in the Blockchain

1218 Total views

170 Total shares



The vibrant Israeli fintech industry generates innovation using Blockchain technology which leaves the regulator no choice but eventually to join in. Special Counsel Roy Keidar ([www.arnon.co.il/content/keidar](http://www.arnon.co.il/content/keidar)) examines the development and the current state of Blockchain in Israel.

### **The military factor**

Despite its small size, Israel, long recognized as a hotspot for disruptive innovation, is becoming a leading force in Blockchain technologies. The flourishing Israeli tech ecosystem (<https://www.currencytransfer.com/israeli-startup-ecosystem>), boasting the highest concentration of tech companies outside of Silicon Valley, provides fertile ground for pushing DLT forward.

One of the biggest proponents for this is the fact that cyber security and cryptography play a key role in the Israeli defense establishment, and the military serves as a potent incubator for these fields. The current climate is reminiscent of the development of the cyber industry in the early 2000's.

A vibrant profit-driven private sector coupled with passionate and talented entrepreneurs, sees an early influx of capital. This, in turn, attracts the attention of the government which utilizes its regulatory and institutional powers to allow for an increase in capital, both financial and human, including the establishment of relevant supportive institutions, incentivizing academia, and generating a substantial amount of buzz.

### **Research and development**

Israeli universities are home to a number of Blockchain research pioneers, including Turing Award winner Professor Adi Shamir ([amturing.acm.org/award\\_winners/shamir\\_2327856.cfm](http://amturing.acm.org/award_winners/shamir_2327856.cfm)) of the Weizman Institute of Science and Prof. Eli Ben-Sasson ([eli.net.technion.ac.il/](http://eli.net.technion.ac.il/)) of the Technion.

In the private sector, as per a recent report ([https://www2.deloitte.com/content/dam/Deloitte/il/Documents/financial-services/israel\\_a\\_hotspot\\_for\\_blockchain\\_innovation\\_feb2016\\_1.1.pdf](https://www2.deloitte.com/content/dam/Deloitte/il/Documents/financial-services/israel_a_hotspot_for_blockchain_innovation_feb2016_1.1.pdf)) by the global consulting firm Deloitte, there are dozens of Israeli startups developing a wide-range of Blockchain technologies, in various sectors including security, hardware, virtual currency, payments, P2P and social platforms.

For example, a startup offering a Blockchain solution to eliminate the need for documents in international shipping agreements, an application for secure and validated purchase and storing of goods online, and another creating Blockchain data templates for use by banks and enterprises.

### Regulator's dilemma

While the Israeli Blockchain eco-system is vibrant, the Israeli regulator is still 'sitting on the fence'. Given that future uses of Blockchain technology, and its various implications, are unpredictable, this is to be expected.

Regulators worldwide remain suspicious of virtual coins for enabling individuals to circumvent banks and government authorities.

The Silk Road and Mt. Gox scandals certainly did not lend any additional credence to the enterprise. But beyond understandable concern for criminal misuse and consumer protection, it is clear that resistance may be more deeply rooted: any decentralized alternative to centuries-old systems of centralized governance and control is not something any regulator can swallow too easily.

### Public and private

In this way Israel is somewhat unique. Due to the small size of the Israeli industry, there is constant friction between the private and public sectors. This leads to an unlikely type of interaction between the two, and oftentimes creates an almost unavoidable, albeit sometimes wary, alliance.

This is something we are currently witnessing generally in the burgeoning fintech industry. Regulation of the banking sector, particularly conservative, and often slow-moving, now finds itself faced with the need to adjust to hundreds of start-ups operating in almost every financial sector, including payments, trading, lending, anti-fraud, and insurance, offering relatively simple solutions to complex financial problems.

### Regulating the decentralized

Together they generate an 'Israeli fintech hybrid' that is slowly and rapidly transforming the industry.

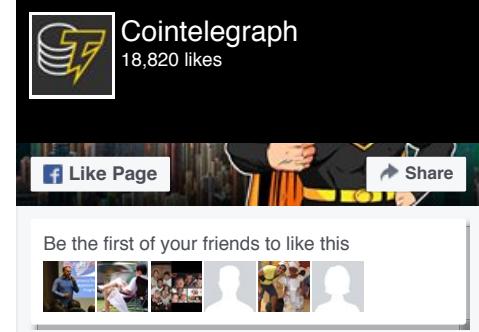
Thus, the regulator now finds itself poised at a crossroads. The pressure is on to learn to adapt to these new technologies, with an aim to encourage and support them.

The concern of regulating "too much" or "too early" is salient. But the real question seems to be not when or to what extent, but rather how. How do you regulate decentralized network?

In the meantime, the vibrant Israeli industry will likely continue to generate innovation using Blockchain technology, eventually leaving the regulator no choice but to join in, which if done correctly, will likely give a huge boost to the Israeli industry.

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- 10069

By Roy Keidar  
With the assistance of Ahuva Goldstand

Israel (/tags/israel)

FinTech (/tags/fintech)

Blockchain (/tags/blockchain)

Comments

Author Denis Harrison

2016-07-06 02:35 PM

## Bitcoin Price Analysis (Week of July 4th)

1985 Total views

128 Total shares



Bitcoin's price (<https://cointelegraph.com/bitcoin-price-index>) is undergoing a correction toward the long-term upward trend. For how long will this correction last, and at which point is the long-term upward trend most likely to continue?

### What has caused the start of this correction?

One of the key long-term levels was near \$760-80. A long-term downward trend has been forming along that price as far back as 2014. The price of \$760-80 has become a key level. The placing of the correction level of the Fibonacci grid 38% has given more significance to that range. That's why it could be called a historical maximum, which was later confirmed by Bitcoin's price.

Bitcoin Financial News (/news/keep-your-bitcoins-central-bankers-bubble-your-bitcoins-central-bankers-bubble-will-burst-very-soon) 8998

**Keep Your Bitcoins: Central Bankers' Bubble Will Burst Very Soon**

Bitcoin Social Activity (/news/adult-film-industry-film-industry-goes-blockchain-now-alicia-machado-sex-tapes-wont-be-altered) 5030

**Adult Film Industry Goes Blockchain, Now Alicia Machado Sex Tapes Won't Be Altered**

**Why Bitcoin is Failing to**



Bitcoin's price has rebounded from that long-term resistance. The structure of the upward movement was further disrupted near \$730 and there was a turn to decline. The overlap of several factors influencing the movement of the price allows us to determine a trend with more certainty. It's worth noting that the structure of the upward movement was intact right until that line, with the price breaking through every line before it. Only after the new level has been reached and the trend's structure disrupted and then followed by a turn, it became clear that the market is correcting toward the whole upward trend which has started at \$400.

After that, the price has headed toward the minimal correction target near \$600. The disruption of the structure at the level of \$600 was a confirmation of the downward movement from \$780 coming to a close. Soon after a weekly flat has formed between two accumulated volume lines: \$580 and \$710. These levels have become the limits of a sideway movement, which could become a part of the downward rebound of a larger scale.



In that case, the downward movement has enough potential to reach \$480-500. The most significant long-term resistance lines are all situated there: the diagonal channel responsible for the structure of the long-term upward trend, the correctional Fibonacci level 50%, and also the accumulated volume for that price. All these factors combined form a likely peak of the long-term correction. If Bitcoin's price stops at the level of \$480-500 and disrupts the structure of the medium-term downward trend, it will indicate that the long-term correction is most likely over. That means that there will be a chance for a long-term upward trend to continue, or for a turn to decline to start forming.



For the downward movement of the price to continue, it needs to break through a number of technical levels. For the short-term downward trend to become most likely to form, the price has to break the \$640 support line. That breakthrough will indicate a disbalance of power between the bears and the bulls, in favor of the bears. Consequently, for an upward trend to form instead, the level of \$640 has to stay safe. In that case Bitcoin's price will have a chance to reach at least \$740-750 toward the next key resistance line. In order for Bitcoin's price to fall to the long-term level of \$500, it needs to break through the accumulated volume line of \$580, which is also a limit of the weekly flat. A fortification at that mark will indicate a lack of interest from bulls, because the \$580 price is profitable for them. Consequently, that lack of interest could provoke a further fall down to \$500.

The current state of Bitcoin's price can be described as a flat within a flat. It's highly risky to make any long-term decisions under such conditions. The price could form a smaller flat within a larger one, and then continue forming a larger sideways movement between \$580 and \$710.

The key levels which can help us determine whose side is holding the advantage are the limits of the smaller and larger flats.



If Bitcoin's price fortifies and forms a turn at the level of \$580, the downward correction will be most likely to continue. That fall will end closer to \$500, and if a turn forms there, the long-term upward trend will have a chance to renew.

[Bitcoin \(/tags/bitcoin\)](#)

[Bitcoin Price \(/tags/bitcoin-price\)](#)

## Comments

Author Olusegun Ogundesi

2016-07-06 01:46 PM

## To the Moon and Back: Will Halving Affect Bitcoin Price?

4371 Total views

152 Total shares



In less than a week, the much talked about halving ([cointelegraph.com/news/will-bitcoins-halving-doom-or-boom-the-cryptocurrency](http://cointelegraph.com/news/will-bitcoins-halving-doom-or-boom-the-cryptocurrency)) will come and go. Nonetheless, haggling about the price of Bitcoin will remain. There seems to be more Bitcoin enthusiasts who share insinuations that the halving will shoot the price to the moon than those who think it will go to the loom - or at least let the price remain unaffected.

Each camp is clear and certain of the picture it has. What is dicey, however, is which to follow of both camps, especially if you are a Bitcoin enthusiast with a keen interest in what becomes of the digital currency. It is nearly unimaginable what the price will be ([cointelegraph.com/news/711-the-day-bitcoin-prices-will-rocket-or-start-of-a-crash](http://cointelegraph.com/news/711-the-day-bitcoin-prices-will-rocket-or-start-of-a-crash)) when more regular people buy Bitcoin with a limited fixed supply.

### Negative factors

Several developments have not helped the situation. Recently, we had the Brexit vote which pushed the boundary of the digital currency's level of adoption upwards as global currency markets were shaken up. The EU credit rating has been downgraded to AA from AA+ which is also a blow.

It is gradually becoming a common discussion that Bitcoin seems to be the only blockchain system that has seen use outside of those who are tech-savvy because it fulfills a need (<https://bitcoinmagazine.com/articles/how-governments-subsidize-bitcoin-s-usefulness-and-the-bitcoin-price-1467296926>).

In its third report on blockchain (<https://ir.citi.com/onWP8PeDTFCEOpVtHBNtpVSgNCDKcVVUBdHotDbLJ%2BjXmVXuVE8aY3W2hNxoAfPWNcuytXi1ocM%3D>), this being to analyze whether a technology like Bitcoin has the potential to offer a superior alternative to the financial system today, Citigroup cited that "cryptocurrencies' potential impact will likely be more from its ability to open up new markets and reach new customers" in the financial sector. In addition, a whopping 71% of polled respondents ([money.cnn.com/2016/06/28/news/economy/americans-believe-economy-is-rigged/index.html](http://money.cnn.com/2016/06/28/news/economy/americans-believe-economy-is-rigged/index.html)) thinks the U.S. economic system is "rigged in favor of certain groups," according to a new poll ([cms.marketplace.org/sites/default/files/EMR23033%20Marketplace%20Wave%20Three%20Web%20Only%20Banner.pdf](http://cms.marketplace.org/sites/default/files/EMR23033%20Marketplace%20Wave%20Three%20Web%20Only%20Banner.pdf)) by Marketplace and Edison Research.

The other blow is to the credit card industry. A court threw out a \$7.25 billion antitrust settlement ([www.reuters.com/article/us-visa-mastercard-settlement-idUSKCN0ZG21E](http://www.reuters.com/article/us-visa-mastercard-settlement-idUSKCN0ZG21E)) reached by Visa Inc and MasterCard Inc with millions of retailers that accused the card networks of improperly fixing credit and debit card fees. After the uncertainty, the economy and policy ([www.bankofengland.co.uk/publications/Documents/speeches/2016/speech915.pdf](http://www.bankofengland.co.uk/publications/Documents/speeches/2016/speech915.pdf)) speech by the Governor of the Bank of England, Mark Carney, the market dipped slightly.

## Guessing the Bitcoin price

The only hard data available presently is the price history which has no predictive value, making it hard to depend on to make predictions, says a comment on Reddit. What is certain, however, is today's price of Bitcoin. Anything else is guesswork as shared in the views of Reddit users.

For example, user jmw74 (<https://www.reddit.com/user/jmw74>) says that nobody knows how much 'buy and hold' and 'sell and stay in fiat' has been happening. As exchange volume is mostly just trading back and forth, it doesn't tell you anything. The amount of 'sell and stay in fiat' aside from miners has been tiny. In this case halving could have a massive effect.

jmw74 (<https://www.reddit.com/user/jmw74>) concludes:

*"In reality, this assumption isn't true - there are more people who "sell and don't buy back" than just the miners. We don't know how many more. It could be relatively small compared to what miners produce, or relatively large. My gut says "relatively small". Nobody is getting out of bitcoin for the long term at these prices."*

User Kitten-Smuggler (<https://www.reddit.com/user/Kitten-Smuggler>) believes that if the price stays at 645 then after the halving it will be 1800 bitcoins each day, or \$1.15 million: "Less money is needed to sustain current price levels, and

the lessened supply should eventually put a squeeze on the market to find a new equilibrium."

wtfcowisown (<https://www.reddit.com/user/wtfcowisown>) refers to Satoshi who once said that "Each Bitcoin lost makes the rest more valuable." The user suggests that the halvening should force scarcity onto Bitcoin, which is why the price is expected to increase dramatically.

RedditTooAddictive (<https://www.reddit.com/user/RedditTooAddictive>) agrees that the price depends on the fine balance of supply and demand. And considering how many Bitcoins are bought every 10 minutes, it will be surprising if the price does not moon.

Darkhack (<https://www.reddit.com/user/Darkhack>) argues that people who are keeping their heads cool are even speculating a massive selloff and return to \$300 Bitcoins when the gains that some people are expecting don't come.

The user concludes:

*"I'm bullish on Bitcoin and do think we'll see a decent ROI, but such a downturn is a much more realistic scenario than Bitcoins going past \$2000."*

Bitcoin (/tags/bitcoin)      Bitcoin Price (/tags/bitcoin-price)

Bitcoin Halving (/tags/bitcoin-halving)

Comments

Author lyke Aru

2016-07-06 09:55 AM

## New Decentralized Governance Platform Released, Based on Smart Contracts

4243 Total views

205 Total shares



Expanse ([www.expanse.tech/](http://www.expanse.tech/)) announces the release of a proof of concept version of its decentralized governance services platform, Borderless.Tech ([www.borderless.tech/](http://www.borderless.tech/)).

### Decentralised political system

In the announcement, Borderless.tech was described as a coalition of globally accessible governance services forged out of smart contracts that live on the Expanse blockchain.

The founder and lead developer, Christopher Franko (<https://www.linkedin.com/in/christopherfranko?authType=name&authToken=ThSy&trk=wonton-desktop>), says that Expanse runs on a decentralized application platform designed to allow more efficient mining and enabling dapp developers to create more powerful applications and innovations.

Franko says:

*"You can think of Borderless.Tech as a decentralized, global political system without borders. Services such as citizenship, identity, notary, marriage, and more are easily able to adapt to specific needs of various groups that are choosing their own ways to be free."*

### Competing with governments

The announcement says the Borderless.Tech governance platform is designed to substantially lower the operational costs required to maintain borders.

Removing the artificial lines that separate societies and states allows for a smarter allocation of scarce resources, while at the same time introduces competition into the ages-old monopolies of governments.

James Clayton, Expanse Community Manager, explains:

*"This software will disrupt the very way we, as a civilization, understand citizenship and what it means to be connected. When coupled with the power and flexibility Expanse provides, Borderless.Tech provides a stable foundation that the future can be built upon. By letting go of those restrictive imaginary lines, (borders), we become global citizens and a new type of identity emerges, which will allow all members of society to reach our full potential."*

## Increasing trading volume

According to the team, Expanse has lately seen consistently increasing trading volume. Trading volume on both Poloniex and Bittrex continues to rise and reached \$2,733,540 at the time of the Borderless announcement. In the future, Tech smart contracts should be loadable to the Expanse wallet.

Expanse also provides for the Borderless Charity that uses voluntary donations from Borderless.tech to provide basic necessities for people in need.

◆ Smart Contracts ([/tags/smart-contracts](#))

◆ Decentralization ([/tags/decentralization](#))

◆ Expanse ([/tags/expanse](#))

Comments

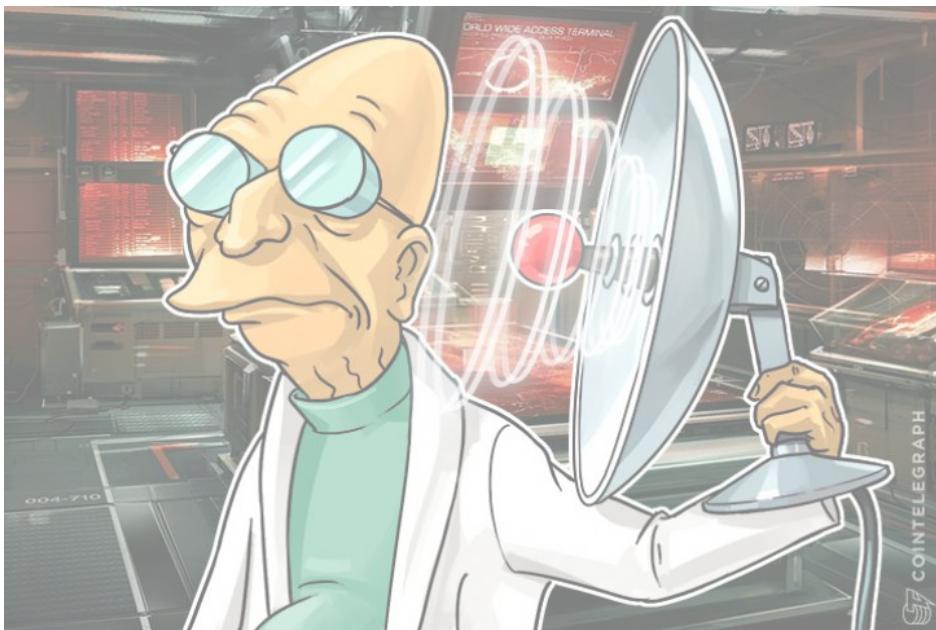
Author Andrew Marshall

2016-07-05 02:50 PM

## Powered by Blockchain, New Decentralized Messenger to Save Data, Battery and Time

2115 Total views

150 Total shares



Powered by the IPFS (<https://ipfs.io/>) technology and the Graphene Blockchain ([docs.bitshares.org/](https://docs.bitshares.org/)), Echo aims to deliver a full-feature decentralized chatting app. It is everything you'd expect from a regular messenger: free and easy to use, but also secure, private and encrypted. The project is still in development, with 4 proof-of-concept versions already released, and a Kickstarter campaign in preparation.

The team behind Echo ([my-echo.com/](https://my-echo.com/)), a P2P messaging and digital payment app, has set out with the goal of delivering a solution which could be conveniently used by people who have never even heard about cryptocurrencies before.

### Live encryption and data storage

Echo is planned to be capable of sending multimedia (which is stored with the use of IPFS), and also support live encryption of all audio and video streams.

Christoph Hering (<https://www.linkedin.com/in/christophhering>), Echo's CEO, says:

*"Echo will use IPFS for the multimedia data storage. So all information is decentralised and encrypted. We will send the IPFS hashcode via the Blockchain 'memo' field, so that only the receiver can read the message. Echo will be able to live encrypt all audio and video streams too: you can call your friends over a IPFS video stream etc."*

In order to receive and interpret messages for the user, a decentralized messenger has to access the Blockchain, which can be a very resource-intensive, nearly unsolvable task for mobile devices. This is a major problem for all such applications.

Hering comments on this:

*"We have developed a specific light client for the Bitshares (<https://bitshares.org/>) platform. So you just download the user specific data, not the whole chain. That saves battery, data and time."*



## Centralized vs. decentralized

Instant messaging is one of many industries, where Blockchain could be employed to produce an undeniably positive effect.

The most popular IM apps today are centralized: WhatsApp, Skype, Viber, Telegram - they all use corporate servers to send messages across the network. That means that the respective apps suffer all the deficiencies associated with centralization: downtime

(<https://twitter.com/telegram/status/650273378092339200>), security breaches (<https://www.theguardian.com/technology/2015/aug/09/facebook-privacy-settings-users-mobile-phone-number>), zero anonymity/privacy (<https://www.theguardian.com/world/2013/jun/06/us-tech-giants-nsa-data>) - you name it.

The result is a market waiting to be taken over by a secure, efficient, private chatting app powered by Blockchain. There have been several attempts so far, such as CoinSpark ([coinspark.org/developers/messages-introduction/](https://coinspark.org/developers/messages-introduction/)) or Blockom ([www.reply.eu/en/content/blokcom](http://www.reply.eu/en/content/blokcom)). The trend is so prominent, that even DARPA (<https://www.cryptocoinsnews.com/darpa-blockchain-messaging-system/>) and the Commonwealth of Nations

([www.coindesk.com/commonwealth-secretariat-has-a-new-secure-messaging-app-that-uses-blockchain/](http://www.coindesk.com/commonwealth-secretariat-has-a-new-secure-messaging-app-that-uses-blockchain/)) are considering building Blockchain messengers for their own use.

However, none of the decentralized solutions presented so far have managed to reach a degree of popularity enjoyed by the biggest legacy players in the industry. That can mostly be explained by the fact that none of them have been aimed at the general public: the projects by government agencies are being developed in complete secrecy; even the solutions which come from the private sector are largely geared towards experienced cryptocurrency users.

## Simpler money transfers

In addition to sending traditional messages, the app wants to solve the headache of bank money transfers. In a bid to support seamless money transfers via the Blockchain, Echo is planned to support simple transfers in such currencies as Bitcoin, Ether, Litecoin, USD, EUR, JPY, and others.

The users won't have to remember the receiver's addresses for different currencies, or any other specific data: they will be able to send to a username or via a QR-code. Businesses will also be able to accept payments via Echo by setting up an enterprise account.

Cointelegraph spoke to Christoph Hering about the project.

**Cointelegraph: When will your crowdfunding begin? How soon do you plan to release a working app?**

**Christoph Hering:** We are currently preparing the crowdfunding and will publish a short video clip to answer the most burning questions of our early adopters, introducing the team and sharing our long term vision with ECHO within the next weeks. Moving forward, we will announce our crowdfunding campaign on multiple websites, forums and over social media.

The crowdfunding will start early August 2016. We have a very dedicated and passionate team and I plan to release the first alpha version of ECHO 6 months after the successful crowdfunding. We also have a newsletter where we share the latest updates and news around the ECHO team.

**CT: Who are the closest competitors of Echo? How do you stand out?**

**CH:** The closest competitor would be WeChat, the Chinese social messenger giant that provides an omni platform for messaging, payments, shopping, social media and so on. I was blown away the first time I used WeChat in Shanghai. I really liked their easy to use interface that welcomes every new user immediately. However, 700 Million WeChat users suffer from censorship, non-encrypted communications and the centralized financial system WeChat Pay.

After I came back from my exchange year in Shanghai my dream matured to build ECHO, a new social messenger that protects and encrypts user data and gives everybody the freedom over their money thanks to modern Blockchain technologies. Imagine if we could use the best known interface on a phone, a chat window, and give everybody the power to share any kind of currency, asset or loyalty rewards with a single text message. Finally, you can share your deepest thoughts and concerns with your family and friends in total privacy. It is my vision to combine the best of social messaging and digital money transfer in one app, which is intuitive for anybody to use.

**CT: Why do you think no decentralized messenger has become really popular so far?**

**CH:** Because first, most people are not passionate about security, privacy and decentralization enough yet. We in the modern world are trading privacy for security and every conversation, interaction or opinion will be recorded for eternity. That is a dangerous development. I suggest we all should have a right to forget, a right to delete our foolish mistakes from the past so that we can mature in the future.

Second, with an ever-faster growing world, people will discover new demands and passions for more privacy and security. After the WhatsApp shutdown in Brazil December 2015 and the active censorship of social media in China and Europe people realize that their right of free speech has been compromised. They are hungry for a new decentralized messenger that cannot be shut down,

cannot be censored, and is very hard to hack. Thanks to modern Blockchain and IPFS technologies ECHO will live encrypt and decentralize all voice-, video-, chat messages and wallets to protect our users.

Privacy needs to be a default setting for all our apps. Even today WhatsApp new strong encryption is an option, not a default. Why?

**CT: Ethereum's integrated programming language can allow someone to build a similar app on top of their already popular Blockchain. Why did you choose to build yours almost from scratch?**

**CH:** Ethereum has its market, but it is not suitable for scaling operations such as a instant chat or a global financial platform. We decided not to use Ethereum because it does not provide the features we need. We are looking for a Blockchain that can handle more than 50,000 transactions per seconds, does not cost anything in transaction fees, can manage multiple digital assets and has advanced privacy and account management features already built in the core.

We decided to build ECHO on top of the BitShares Blockchain which has proven its speed, security and scalability over the time. ECHO will connect to the BitShares Blockchain API's so that users can use the full potential of price stable digital assets like (EUR, USD, CNY), digital currencies like Bitcoin, Ethereum, Litecoin etc, plus a build in loyalty reward system for purchases at stores. In short, ECHO is connected to the new global SWIFT network, BitShares, that unites multiple corporations around the world and offers one global trading book for exchanging currencies, assets, stocks, bonds, ICO tokens and more.

🏷️ [BlockChain \(/tags/blockchain\)](#)

🏷️ [P2P \(/tags/p2p\)](#)

🏷️ [Encryption \(/tags/encryption\)](#)

🏷️ [Decentralization \(/tags/decentralization\)](#)

Comments

Author Andrew Marshall

2016-07-05 02:10 PM

## VPN Services Accepting Bitcoin, Part 2 - TunnelBear and ShadeYouVPN

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876 Total views

96 Total shares



CoinTelegraph continues to review some of the top VPN services who accept payment in Bitcoins. Last time we covered Hide My Ass ([cointelegraph.com/news/cointelegraph-product-review-hide-my-ass-online-vpn-service](https://cointelegraph.com/news/cointelegraph-product-review-hide-my-ass-online-vpn-service)), which is arguably the largest name in the industry. Now we move on to some of the lesser-known options - TunnelBear (<https://www.tunnelbear.com/>) and ShadeYouVPN (<https://shadeyouvpn.com/>).

## TunnelBear

TunnelBear is a very accessible and beautifully designed VPN. A simple sign-up procedure requires you to enter your name, email address and a desired password. After that is done, all you have to do is confirm your email, and you're good to go.

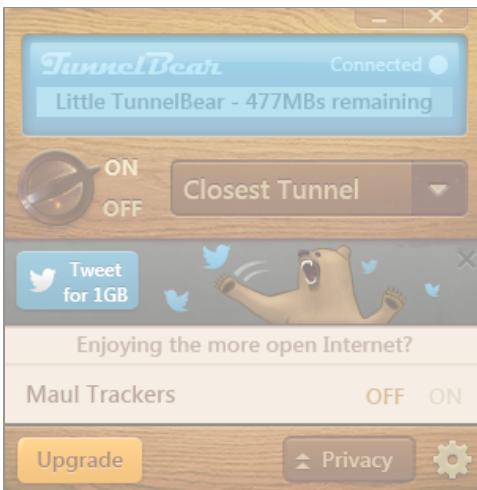
The company offers three possible tariff options (<https://www.tunnelbear.com/pricing>):

- Free - you can use the basic tunneling service for free with a 500MB monthly download limit (can be increased by an extra 1GB if you make a tweet about the company);
- Monthly subscription - unlimited access to all features for \$6.99 a month;
- Yearly subscription - same as above, but at an upfront price of \$49.99 (\$4.16 a month).

The payment options include Visa, MasterCard, American Express, jars of honey (yes, you read that right (<https://twitter.com/thetunnelbear/status/423527022275866626>)) and, of course, Bitcoin.

The VPN app itself is very simple: you choose either one of several available tunneling locations or just the closest tunnel, and turn it on with a single click. The connection is secured with AES-256 encryption, and a simple test on speedtest ([www.speedtest.net/](http://www.speedtest.net/)) reveals that the app produces no more significant effect on latency/speed than you would expect from any other VPN.

The app supports all major platforms, such as Windows, Mac, iOS and Android.



TunnelBear has strict rules regarding logging user data: while they couldn't deal away with it completely, it has been brought to a minimum. The app only logs your operational data, such as an overall number of connections (without timestamps) and the total amount of data used each month.

It never logs IP addresses and does not monitor, collect, analyze or store any information about the applications, services or websites the users visit with TunnelBear on. The privacy policy (<https://www.tunnelbear.com/privacy-policy>) promises to 'not disclose user information to other commercial parties under any circumstance.'

Ultimately, TunnelBear is a secure, fast, simple-to-use option for people who want to protect their privacy at an affordable price. Its highlights are: the option to use it for free, simple interface, limited logging policy.

## ShadeYouVPN

ShadeYouVPN (<https://runcpa.com/getoffer/3883-c67f7a41febded4dee1c1754eac5d0c9-93>) represents a down-to-earth approach with the very cheap contracts. Users get exactly what they pay for - an easy, reliable VPN service.

The sign-up process is the same as with TunnelBear (with the exception that you have to enter a username instead of your actual name).

The company offers a one-day free trial, and there are three tariff options after that:

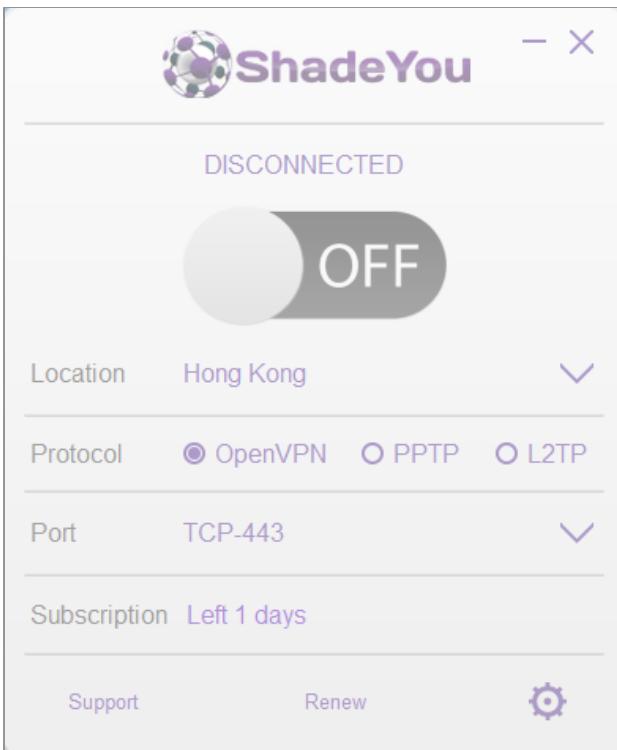
- A 12-month subscription for \$25.99 (\$2.17 a month).
- A 6-month subscription for \$16.98 (\$2.83 a month).
- Monthly renewal for \$3.95 each month.

The list of available features is the same for all three options, and the company offers a 7-day refund guarantee (<https://shadeyouvpn.com/refund-policy>), in case the app doesn't work for you.

ShadeYouVPN has a huge range of available payment options, including, but not limited to: Visa, MasterCard, PayPal, American Express and Bitcoin.

The VPN application is nothing fancy, but it gets the job done. It allows you to choose the tunneling location (out of more than 12 available countries), the protocol (OpenVPN, PPTP and L2TP) and your connection port before you turn

it on.



The connection is protected by a highly secure 2048-bit key encryption, and the app, once again, does not produce a significant effect on your connection speed and latency.

ShadeYouVPN only has a proprietary client for desktop Windows platforms, but it does provide a setup guide (<https://shadeyouvpn.com/howtoconnect>) for other platforms, such as Mac, Linux, Android and iOS. One important feature of the service is the ability to protect 5 different devices working simultaneously, which means that you can use it to secure all your online activity - desktop and mobile.

In regards to logging user data, ShadeYouVPN follows a similar approach to that of TunnelBear: its privacy policy (<https://shadeyouvpn.com/privacy-policy>) states that it 'does not collect information about the activities of clients on the network.' Any information they do collect will only be used to provide a great service and will never be sold, distributed or transferred.

In short, ShadeYouVPN is a no-frills service which provides great value for money. It offers increased security for what is potentially the lowest price in the industry; you can run it on 5 devices simultaneously, and the 1-day trial and 7-day refund policy guarantee that you will get what you paid for, or your money back.

VPN (/tags/vpn)

Bitcoin Accepted (/tags/bitcoin-accepted)

Comments

Author Joël Valenzuela

2016-07-05 11:00 AM

# Making Netflix and Youtube Outdated: How Blockchain Changes Media

2404 Total views

377 Total shares



Giant online content platforms, such as Netflix and YouTube, currently dominate the content landscape, providing large quantities of easily accessible content for very cheap (or free plus advertisements). However, they remain centralized, meaning that a single entity has ultimate control over content and what compensation (if any) artists receive for their work.

CoinTelegraph spoke with Mike Vine, Technology Evangelist for LBRY, about the prospects for a decentralized, blockchain-based, and creator-controlled approach to content dissemination to dismantle the current centralized norm.

## **CoinTelegraph: How exactly does LBRY manage to give content creators full control?**

**Mike Vine:** LBRY is not a service or a store, it's a protocol. It's a way for artists to connect to their fans the same way the internet is a way for you to connect to websites. With LBRY, the rules are encoded and enforced by cryptography – so we can't just arbitrarily change the terms on anyone down the road. That is very different than, say, YouTube, which is entirely controlled by Google. Google sets the terms of use, the payouts for creators, and it can change the rules at any time.

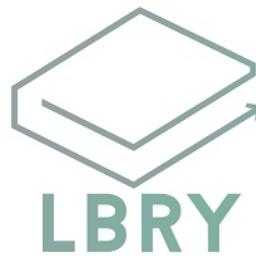
On LBRY, creators set their own price and our company, LBRY Inc., doesn't take any portion of it.

## **Policing illicit content**

**CT: Like it or not, one of the advantages of centralization is the ability to pull content that is either stolen or otherwise misattributed, unsavory, or downright illegal. How can decentralization deal with these problems?**

**MV:** LBRY is a protocol, but today we are releasing an app that is like a window into that protocol. At the app level, we do have some ability to blacklist infringing content. Also, there may be technical ways through our position as the "market maker" of LBRY credits to basically make it more expensive for people to abuse the network. We've designed LBRY to make it easy to do the right thing: compensate talented creators for their work.

The point of decentralization is to push the power and the responsibility to the users, rather than having some large company in the position of making value judgments for hundreds of millions of people.



### Competition for Netflix and other content platform giants

**CT: Large content providers like Netflix already exist which allow users to seamlessly access a massive amount of content very cheaply. How will LBRY distinguish itself from, and successfully compete with, more traditional paid content platforms?**

**MV:** For one, LBRY does everything. It can carry any form of digital media – songs, films, ebooks, games – so we'll have some advantage in having many different audiences coming to the same place and mixing their interests.

LBRY also allows users to choose their content a la cart. Cryptocoins allow for micropayments in a way that Netflix couldn't process through credit cards. So rather than paying \$10/month, you might pay a few pennies for each video you watch.

Netflix is constrained by having to get licensing deals for interesting new content – or spending big bucks to create their own. LBRY doesn't control the platform, so it's up to creators or distributors to post their content themselves and set their own price. We don't license or otherwise claim to own what's added to the LBRY network. It's a different relationship, and one that we expect media producers large and small to come to see as way better than the old way.

In short, what Netflix did to Blockbuster, we could do to Netflix. Or who knows, maybe Netflix will appreciate how we've dramatically lowered the cost of serving content and start offering their service through LBRY!

### Reduced incentives for pirating

**CT: Are you worried about pirating? It sounds like people could simply take LBRY's content and make it available for free on file sharing networks, or even sites like YouTube.**

**MV:** Any digital media can be copied, no matter what protections are put in place. People currently grab content and share it in violation of copyright law. LBRY improves upon the current situation by having better incentives for all participants than BitTorrent or Youtube, and one of those is that LBRY makes it very easy to pay the creator directly. The success of the iTunes store shows that people are willing to pay for media if the process is easy. Now imagine instead of paying some record company, you're compensating the band directly for their music. How many people are going to go out of their way to avoid paying the artist for the work they're enjoying when paying a small amount gets you a reliable, high-quality file in an ad-free environment?

You have to realize that with Youtube, you're paying with your precious time every time you sit through an ad.

**Bringing new users to cryptocurrency without them even knowing**

**CT: Bitcoin businesses have a significant knowledge barrier to surmount in order to get the average consumer involved, and I'm sure this is even greater for other cryptocurrencies, especially new ones. Do you have any plans to get around this obstacle?**

**MV:** I'm very excited by the prospect of massively expanding the cryptocoin userbase without many users even realizing what they're using. For many, LBRY credits will seem like Chuck-E-Cheese tokens, and they won't realize that they're holding something really substantial and powerful.

One of Bitcoin's main hurdles is getting them in the first place. People don't want to deal with an exchange or negotiating to buy some from an acquaintance. It's a pain. LBRY offers several ways to \*earn\* credits: mining and posting content are the obvious ones, but users can also set aside some disk space to host content for the LBRY network and passively earn credits. This is very exciting, and means many people could enjoy LBRY without ever having to outright purchase credits. This is key both to our adoption plan and spreading the magic of cryptocoins.

**CT: When a new cryptocurrency comes out, it runs a risk of being labeled a "shitcoin," a cheap Bitcoin knockoff meant to scam gullible cryptocurrency enthusiasts. How do you plan to avoid this cursed label for LBRY credits?**

**MV:** We avoid this by having a clear purpose. As we've discussed in the past, LBRY credits are really designed for the functioning of the LBRY protocol – they're an appcoin. So we're not trying to compete with Bitcoin as a form of money. The value of LBRY credits will be tied to the success of our media marketplace. As for why we didn't just use Bitcoin, we had a few good reasons (<https://lbry.io/news/why-doesnt-lbry-just-use-bitcoin>).

Netflix (/tags/netflix)

Youtube (/tags/youtube)

BlockChain (/tags/blockchain)

Media (/tags/media)

LBRY (/tags/lbry)

Mike Vine (/tags/mike-vine)

## Comments

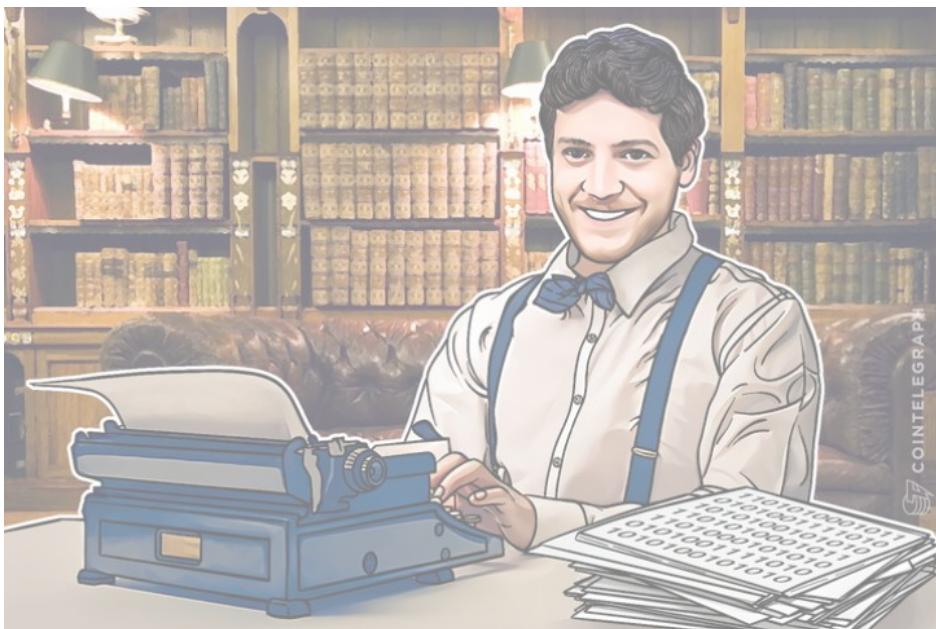
Author Joël Valenzuela

2016-07-04 02:06 PM

# LBRY Launches Blockchain-Based Creator-Controlled Content App, New Appcoin

1528 Total views

302 Total shares



On US Independence Day, Blockchain startup LBRY released a beta app (<https://lbry.io/news/beta-live-declare-independence-big-media>) and a new accompanying cryptocurrency to help artists retain control over their work.

LBRY is a decentralized content-sharing platform geared towards artists, filmmakers, writers, etc. who wish to retain full artistic, and financial, control over their work. This marks the first release of a functional app for the platform, in development for over a year.

Mike Vine, LBRY (<https://lbry.io/news>)'s technology evangelist, expects the new release to quickly gain adoption.

*"This is it! We've been building for over a year and now we're going live with a user app and a new cryptocoin that is backed by a decentralized digital media marketplace. In plain English, if we did our jobs right, today is the shout in the wilderness that will trigger an avalanche."*

## Independence Day release

The joint release date for the LBRY app and accompanying cryptotokens was purposely chosen to be July 4th, the United States' Independence Day celebration. This was meant to invoke symbolism of freedom and independence from the world of centralized content companies.

Josh Finer, LBRY's COO, sees a recent influx of interest in the project, including from many not well-versed in the concepts of cryptocurrency.

*"I'm usually the first person to greet new users in our Slack channel. It has been flooded the past week, even though we haven't been doing any special promotion so far about the beta. These folks are often new to the crypto community and they're just incredibly excited about our project. Now that we're announcing publicly, I'm honestly bracing for more enthusiasm than we can handle. But we'll handle it."*

## Appcoins for specific platforms

The introduction of LBRY credits (LBC) shows a trend diverging away from the binary world of Bitcoin and altcoins, towards a rise in "appcoins" ([cointelegraph.com/news/the-appcoin-revolution-interview-with-mike-vine-of-lbry](https://cointelegraph.com/news/the-appcoin-revolution-interview-with-mike-vine-of-lbry)).

To the old logic, Bitcoin is the main cryptocurrency, with all others being altcoins, or simply alternatives to Bitcoin. With appcoins, however, rather than seeking a similar purpose as Bitcoin, the purpose is to provide specific functionality to power an application rather than create a competing general-purpose currency.

LBRY (/tags/lbry)

Blockchain (/tags/blockchain)

Media (/tags/media)

Mike Vine (/tags/mike-vine)

Appcoins (/tags/appcoins)

Comments

Author Olusegun Ogundehi

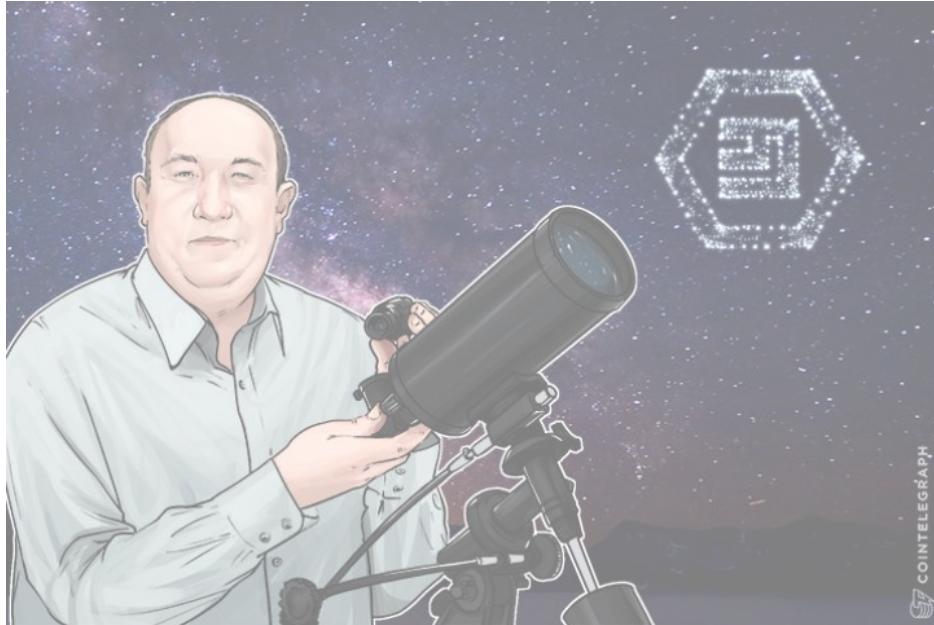
2016-07-03 12:00 PM

## Another Look at Emercoin Blockchain as

# It Rides Higher on Microsoft Azure Release

2241 Total views

221 Total shares



Emercoin recorded a surge in its 24 hour trade volume (<https://twitter.com/emercoininfo/status/748778086024351744>), after the Emercoin Blockchain Engine was released on Microsoft's Azure (<https://azure.microsoft.com/>) platform.

Working with the Azure platform enables it to be deployed using CentOS or Ubuntu (<https://azure.microsoft.com/en-us/marketplace/partners/emercoin/emercoin/?cdn=disable>) in the cloud.

A news release from Emercoin says:

*"With this release, any user can deploy the completely ready to use Emercoin Blockchain Engine ([emercoin.com/2016-04-18-Emer\\_Blockchain\\_Engine](http://emercoin.com/2016-04-18-Emer_Blockchain_Engine)), including EMCSSH as a service as well as a web-wallet with their Microsoft Azure subscription. No additional settings or installations are required by design, providing a full "turn-key" solution, ready to use. This solution can be used as a structural foundation and blockchain subsystem for more complex systems, as well an independent online wallet with web access."*

Although Microsoft Azure has been working or seeking to work with companies focused on crypto-technology and blockchain-related solutions since its inception in November 2015, Emercoin joined the program in January 2016 to become one of the first partners and blockchain-implementing service providers.

This comes after the Emercoin development team decided to combine the production of both Bitcoin and Emercoin ([emercoin.com/2016-06-16-Emercoin\\_Team\\_Announces\\_Merged\\_Mining](http://emercoin.com/2016-06-16-Emercoin_Team_Announces_Merged_Mining)) with a vision to significantly increase the trust and reliability of the Emercoin network last month. The Emercoin team believe merged mining will signal an increase in network difficulty by 500 times or more for the Emercoin blockchain.

### Emercoin over Ethereum in the long term

Emercoin and Ethereum appeared around the same time.

In stating the difference in approach to the blockchain taken by both digital currencies, Oleg Khovayko (<https://www.linkedin.com/in/oleg-khovayko-78a2165>), one of the cofounders of Emercoin, explains:

*"To summarize Ethereum – maximum innovation, but a lot of critical pieces left untested. Emercoin takes a more conservative approach – maximum security. Our long term goal is a proven, tested operation without the shadow of failures or errors. With Ethereum, it is possible to incorporate many flexible/complex functions however with the Bitcoin and Emercoin blockchains, minimal functionality is incorporated to ensure the chains work for specific purposes."*



EMERCOIN EMC

Khovayko says Ethereum is perfect for experimentation and testing new ideas, while Emercoin is a system for industrial application.

"It will be used by those who appreciate long-term reliability and platforms that get the important jobs done," he points out. "Not those who are looking for a multitude of extra and unnecessary features."

Khovayko explains:

*"There are some points of doubt I have on the feasibility of Ethereum. Their claims of nearing the performance and transaction processing of Visa when it comes to transaction per second is one I strongly object to. There are many questions I have when it comes to the claims made by proponents of Ethereum, because I have a great understanding of the dangers and vulnerability of their approach."*

In the Azure Marketplace, users can browse thousands of applications for use, covering practically all of the existing technological solutions of today.

The Emercoin Blockchain Engine is offered as a free solution. The only cost incurred by the subscriber would be that of running a virtual machine and it's components at the Microsoft Azure rates.

➔ [Emercoin \(/tags/emercoin\)](#) ➔ [BlockChain \(/tags/blockchain\)](#)

➔ [Microsoft \(/tags/microsoft\)](#) ➔ [Azure \(/tags/azure\)](#)

➔ [Oleg Khovayko \(/tags/oleg-khovayko\)](#)

Comments

Author Alisa Tciriulnikova

2016-07-02 04:40 PM

## Moscow Joins Race to Wreck London As Global Fintech Capital

2218 Total views

315 Total shares



Putin's business ombudsman says Russia must become the world's blockchain leader, as he's certain the country has the necessary resources.

There are currently around 500 000 of Blockchain users in Russia, and the number is growing. Following the UK's decision to leave the EU the race is now on to replace London as the global fintech capital, and Moscow may join the

race.

## Focus on Blockchain

The Party of Growth (<https://rost.ru>) led by Boris Titov ([kremlin.ru/catalog/persons/319/biography](http://kremlin.ru/catalog/persons/319/biography)) has developed a program which will be presented in the parliament elections this September. Researching and testing Blockchain applications are one of the main priorities for the development of information and financial technology in the country, and are thought to be able to help Russia depart from their dependency on oil and gas.

Titov says:

*"It is of no less significance than the creation of the Internet. If today we attract all the main technologies and investors in the sphere of the Blockchain and cryptocurrencies, having all the resources, both geographic and human, we would advance to take our place among the leading countries of the world , not only in this sphere, but in general."*

The economy's main focus should swing towards development of the 'economy of the future,' which includes information and digital technologies, advanced engineering services, genetics and biotechnologies. The party stands for the 'new industrialization' driving the inflow of high-tech investments to the real economy.

## Opposition to Central Bank's policy

Titov is among a few state authorities who openly express their enthusiasm about technology. However, such open-mindedness is not necessarily shared by the majority of his colleagues.

Titov says:

*"We are in opposition to the current economic policy adopted by the government and the Central Bank. Unfortunately, so far the President backs them, but we hope it will change soon."*

Interestingly, the Duma (the Russian parliament) clearly distinguishes Blockchain and cryptocurrency designed on the basis of this technology. While giving some space for playing around with the former, there have been several attempts to ban the latter.

In December 2015 the Code of Administrative Offences was updated and included a new chapter introducing an administrative responsibility for operations with pseudo money, implying, in this case digital, currencies. Even though the government was recommended to exclude the chapter from the code, it was decided that the draft of the Code would be revised and maybe even passed by the next calling of the Duma.

The Ministry of Finance, with the support of Duma, has been sketching tight regulations since 2014. Suggestions by the Ministry included delegation of additional functions to the Central Bank of Russia for combating even the

promotion of use of Bitcoins as a means of payment, and imposition of legal responsibility for the operations with Bitcoin.

## Rise of fintech at Brexit's expense

Following the UK's decision to leave the EU the race is now on to replace London as the global fintech capital. What are the chances Russia might take on this role?

In April 2016 at the Blockchain and Bitcoin conference which took place in Moscow, representatives of foreign Blockchain companies shared their enthusiasm to contribute to the development of technology in the country.

Paul Szurek ([https://touch.www.linkedin.com/?sessionid=3175224509598639&as=false&rs=false&can=https%3A%2F%2Fwww%2Elinkedin%2Ecom%2Fprofile%2Fin%2Fpaulsurekjr#profile/140768768/nam e:WiC4](https://touch.www.linkedin.com/?sessionid=3175224509598639&as=false&rs=false&can=https%3A%2F%2Fwww%2Elinkedin%2Ecom%2Fprofile%2Fin%2Fpaulsurekjr#profile/140768768/name:WiC4)), Head of Strategy&Partnerships at Blockchain (<https://www.blockchain.com>) said:

*"Our mission is to reinvent finances, make them adequate to the era of the financial technology revolution and provide people with better access to financial services".*

He believes that transparent financial technologies will allow fast, secure and confidential transactions, and it is especially important for countries with a low level of trust towards financial institutions, with Russia being one of these countries.

According to Szurek, Russia has a strong potential for the development of innovative payments solutions on the basis of Blockchain. There are currently around 500 000 Blockchain users, and the number is growing.

With state support through attractive tax policies, the introduction of slightly more friendly regulations, or even the creation of a single platform for the research and testing of Blockchain in the manner of R3, might increase Russia's chances in becoming one of the world's Blockchain leaders.

## Changing the tone in Blockchain discussions

In September 2016 the State Duma will be re-elected. If the Party of Growth gets into the Russian parliament, it could bring fresh perspective to the debates over the development and application of Blockchain.

Titov thinks that the internet in Russia is overly controlled with the state authorities imposing too tight regulations. Russia's internet ombudsman Dmitri Marinichev ([megabook.ru/article/Мариничев%20Дмитрий%20Николаевич](http://megabook.ru/article/Мариничев%20Дмитрий%20Николаевич)) agrees with his colleague. Earlier this year he said that the Party of Growth will also be working on the draft law defining the cyber space in the country. In his opinion, it is important to develop the infrastructure, attract brilliant, talented and active developers who would be eager to come to Russia to work on their projects. Marinichev strongly criticized laws regulating the internet which are being discussed in the Duma.

Lately Blockchain technology has been under scrutiny by businesses and state institutions.

Andrey Lugovoy, Deputy at the Commission for Security and anti-corruption said:

*"Distributed ledger technology drives the progress. As soon as possible Russian businesses should find ways to make it useful for business processes to ensure they keep up with the global financial technology revolution. Blockchain technology is proof that sanctions imposed on Russia facilitate the progress inside the country."*

◆ Russia (/tags/russia) ◆ FinTech (/tags/fintech)

◆ Blockchain (/tags/blockchain) ◆ Brexit (/tags/brexit)

◆ Regulations (/tags/regulations)

Comments

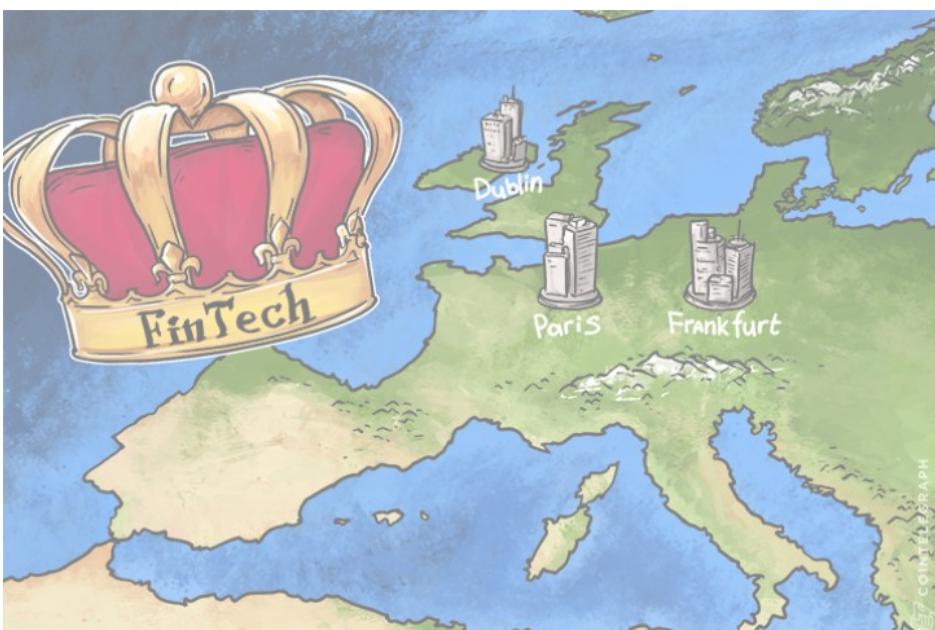
Author Niall Maye

2016-07-02 12:30 PM

## London's Fintech Crown Up For Grabs After Brexit As Dublin, Paris, Frankfurt Cajole Bankers

1667 Total views

309 Total shares



The race is on between European cities including Frankfurt, Dublin and Paris for London's finance crown following the Brexit vote ([www.bbc.co.uk/news/uk-politics-32810887](http://www.bbc.co.uk/news/uk-politics-32810887)).

Just a day after the vote result was announced last week, Ireland's foreign investment agency had already contacted more than a thousand investors letting them know the Emerald Isle is part of the European Union and will remain so, while offering assistance in moving staff over from the United Kingdom.

Although this is all very premature as Article 50 is yet to be triggered and when it is, there will be up to two years of negotiations, these other major European cities are wasting no time in trying to hasten its downturn.

### **Paris, Frankfurt cajole London's potential defectors**

Paris Europlace, which promotes French finance plans, is to travel to London to entice financial firms and professionals while the French government agency Business France has already published and is distributing leaflets highlighting the benefits of working and living in Paris.

In preparation for thousands of potential defectors, Frankfurt officials have set up a specialist hotline for banks that want to discuss moving operations outside of the United Kingdom.

Only when Article 50 ([www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-European-union-and-comments/title-6-final-provisions/137-article-50.html](http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-European-union-and-comments/title-6-final-provisions/137-article-50.html)) is invoked by the new British prime minister in the next three months can exit negotiations begin with the EU.

Financial regulation will be a key issue for the UK government. Around 2.2 million people are employed in financial and related services, with over 700,000 based in London, and with the financial industry contributing 12% of UK economic output in 2014, the stakes are high.

### **Googletown, Slack, Twitter, Airbnb: This is Dublin**

Out of all the competitors, Ireland seems to be in the best position to claim the finance crown, that's if it actually comes up for the taking. With a corporation tax ([www.revenue.ie/en/tax/ct/](http://www.revenue.ie/en/tax/ct/)) rate of 12.5%, the lowest in Western Europe, it is already the EU base for tech giants such as Google, Microsoft, Facebook and Apple.

Twitter, Airbnb and Slack are other notable tech companies who have their European headquarters in Dublin, close to the city's so-called Silicon Docks, which lies near a neighbourhood dubbed "Googletown" ([www.independent.ie/lifestyle/welcome-to-google-town-29817164.html](http://www.independent.ie/lifestyle/welcome-to-google-town-29817164.html)) because of Google's vast campus there.

Other unique attractions Dublin has to entice UK fintech companies to set up base across the Irish sea are a young, native English-speaking, tech-savvy population of 4.6 million people, an openness to overseas talent and a government ready to welcome them with open arms.

Then there is the attractiveness for licensing intellectual property rights, with patent and copyright income subject to just 6.25 percent tax in many circumstances, and 25 percent tax credits available for research and

development spending, it is no surprise that so many U.S tech companies are using Ireland as their base for licensing their technology to all their European subsidiaries.

### Doubts over UK's passporting mechanism

By some rankings, London is the world's No.1 financial sector capital ([www.cityam.com/224938/london-top-world](http://www.cityam.com/224938/london-top-world)), ahead of New York, Hong Kong, and Singapore and what happens to those figures now that the UK has voted to leave the EU is anyone's guess.

Financial firms that are located in Britain can operate in the EU, via a mechanism called "passporting" ([www.bankofengland.co.uk/pru/Pages/authorisations/passporting/default.aspx](http://www.bankofengland.co.uk/pru/Pages/authorisations/passporting/default.aspx)). Britain will have to renegotiate these rights, and many believe it will be impossible to secure better terms than they have now.

Jon Terry, the head of financial services at PWC in London, said; "It's a significant risk that we won't get as favorable terms as we have now."

One company whose next moves bear watching is Transferwise. With its sky-high valuation, it is a massive player in the fintech space and as "passporting" allows Transferwise to be regulated by the UK's Financial Conduct Authority, but offer remittance services across the EU without additional hurdles, it means the fintech firm can keep its staff in the UK while offering those services across Europe, without the need for physical branches elsewhere.

Money-transfer and payments start-ups would be hardest hit by the end of EU passporting, but as the jury is still out on the true impact of Brexit on the fintech industry, we will just have to wait and see if London's finance crown goes up for the taking and if Dublin could be the European city to take its place.

🏷️ [Fintech \(/tags/fintech\)](#)

🏷️ [London \(/tags/london\)](#)

🏷️ [Dublin \(/tags/dublin\)](#)

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🏷️ [Frankfurt \(/tags/frankfurt\)](#)

🏷️ [Brexit \(/tags/brexit\)](#)

Comments

Author Rebecca Campbell

2016-07-02 10:05 AM

## Blockchain Breakthrough: Peerplays Creates Open-Source Fee Sharing Module

15047 Total views

193 Total shares



After a successful first round of ICO funding, Peerplays ([www.peerplays.com/news/](http://www.peerplays.com/news/)) announced today that they have innovated the Blockchain space with the creation of an open-source fee sharing module, allowing any Graphene-based Blockchain to distribute profits directly to its token holders.

"Peerplays is aiming to be the first truly Decentralized Autonomous Cooperative (DAC) and we have just added a major piece to the puzzle," said Jonathan Bahá'i (<https://www.linkedin.com/in/jonathanbahai>), President of BunkerChain Labs ([www.bunkerchainlabs.com/](http://www.bunkerchainlabs.com/)) and the Blockchain technology consultant for Peerplays, in a press release.

He notes:

*"With this new profit sharing module, all the fees that Peerplays charges for smart contract operations and peer-to-peer wagering will be distributed directly to the holders of the core Peerplays Blockchain tokens, just like a traditional co-op pays dividends to its shareholders."*

The module will also work on an individual level, which means that users can distribute anything they wish, such as profit dividends, promotions, coupons or free samples to holders of privately-issued asset tokens on the Peerplays Blockchain. It even allows the setting of an 'ex-dividend date' and a 'payment date', effectively supporting the real-time distribution of stock dividends.

CoinTelegraph spoke to Neil Haran (<https://www.linkedin.com/in/neilharan>), Peerplays Chief Gaming Officer, and Michael P. Maloney (<https://www.facebook.com/michael.maloney.90281>), Peerplays Communications Manager, about the creation of the open-source fee sharing module and its importance to Peerplays token holders.

## Profitability issues

Speaking to CoinTelegraph, Michael P. Maloney, says that right now the issue of profitability is still an open question with many Blockchain projects since speculation drives much of their value as they struggle to find a niche which will lead to greater mainstream adoption.

Maloney explains:

*"Peerplays stands out as a unique value proposition, being the first Blockchain which routes many of its fees directly back to core token holders. Since these fees will come from wagering on video game tournaments, sports and casino betting, market trading, and other smart contract activity, we anticipate a healthy stream of revenue will help to underpin the value of the core tokens."*

It was only last month that the online gaming platform reported that they were developing a Peerplays to Ethereum sidechain by 2017 ([cointelegraph.com/news/peerplays-to-complete-ethereum-sidechain-by-2017-revised-dao-proposal-says](http://cointelegraph.com/news/peerplays-to-complete-ethereum-sidechain-by-2017-revised-dao-proposal-says)) after receiving feedback from DAO supporters and realizing the significant benefits to Ethereum. This was due to the fact that many other DAO sponsored projects will soon have the chance to utilize the framework Peerplays are developing in order to sidechain their own Blockchains to Ethereum.

### Mitigating the Risk of Competition

Despite the fact that Peerplays have helped change the shape of the Blockchain space with the development of an open-source fee sharing module, the team believe that while it won't take long for others to catch on to the same ideas that they have, they are of the opinion that Peerplays is designed in a way that incentivizes developers to connect their own server-side games, as well as new games built on sidechains.

Maloney says:

*"We are rolling out a framework in the coming months which enables literally any game in the world to be added to the Peerplays network in a way that both the players and game developers can earn money. These things should help to mitigate the effect of competition because Peerplays is essentially programmed to assimilate, rather than destroy."*

### Important feature to Peerplays token holders

Last year, online casino gambling took in almost \$50 billion in revenue. However, while most major sites are heavily regulated, scandals still occur with millions of dollars lost to fly-by-night outfits and rigged sports betting schemes. Not only that, but anti-sports betting laws in the United States caused an estimated \$80 billion to be wagered last year on under-the-table sports betting, with practically no accountability or proof of fairness.

Neil Haran, Peerplays Chief Gaming Officer says to CoinTelegraph:

*"At a basic level, everything builds upon the principals enabled by this feature. The network is designed to align you with others to incentivize the creation and capitalization of value. Anyone will be able to earn money or tokens utilizing their own skills, and the network acts like a 'mother ship,' supporting and feeding back to its users."*

He also points out that if you are skilled at running a business, are gifted at mathematics, talented at building, designing or coding, capable of teaching, or maybe accomplished at trading, then you will find many opportunities to carve out your own niche within Peerplays.

### Profit sharing and network growth

With the recent success of the first round of ICO funding where 20% of Peerplays tokens sold for around \$500k, contributors are already receiving tokens on the BitShares Decentralized Exchange which can now be traded at [www.freedomledger.com/](http://www.freedomledger.com/) ([www.freedomledger.com/](http://www.freedomledger.com/)).

As the Peerplays network grows, profit sharing payments will also continue to grow with a fixed amount of core tokens with zero inflation.

Maloney explains to CoinTelegraph:

*"Since additional games can always be added to the network, and tournaments will constantly be held, there is really no limit to the amount of funds that can be cycled back to core token holders as profit sharing. Core tokens will be transferable and tradable on the Peerplays Decentralized Exchange, and profit sharing payments are paid out as a percentage of the whole, similar to a stock dividend."*

♦ [Peerplays \(/tags/peerplays\)](#) ♦ [Blockchain \(/tags/blockchain\)](#)

♦ [Tokens \(/tags/tokens\)](#)

Comments

Author Alisa Tciriulnikova

2016-07-01 10:15 AM

## UK Fintech Companies Weight Up Moving to Other EU Jurisdictions

1117 Total views

255 Total shares



Results of the recent referendum over Britain's exit from the EU have left an ocean of confusion, dozens of questions and no answers. Brexit is by far the hottest topic at the moment, and debates about potential implications of such a bold move are intensifying.

### **London crowned a global fintech capital**

In 2015, the British fintech sector generated £6.6 billion in revenues and attracted approximately £524 million in investment, according to EY ([www.ey.com/](http://www.ey.com/)), a professional service firm. UK fintech firms employ about 6,000 people which is about 5% of the total financial service workforce. That makes the UK larger than New York, Singapore, and Hong Kong competing for a status of the world's fintech hub.

The UK has been at the forefront of the financial technology revolution with companies specializing in lending and money transfer feeling quite confident supported by government initiatives to help investment in a sector that is growing quite rapidly.

### **Fintech is hit hard in this game of truth or dare**

However, following last Thursday's referendum some fintech business players and investors have already started questioning the future of business in the UK. So, is the UK going to lose its status of the world's fintech hub?

UK, being a member of the EU, offers technology companies a number of advantages. First of all, any businesses regulated by the UK authorities can 'passport' their products across the European Economic Area, therefore businesses' concerns of whether the situation might change are fair.

### **Brain drain possible**

As many fintech companies employ developers from countries like Portugal and Poland, the general worry that occupies fintech companies' leaders is a brain drain of talent and skills. Brexit might make it more expensive and

complicated to attract and retain staff.

In addition, companies are bound to a number of EU regulations about data protection. Currently, the European Commission is trying to harmonize rules across the EU in areas such as data protection and copyright by pushing through the 'Digital Single Market' agenda.

## Trade implications

The question of the movement of the free labor and trade implications also concerns businesses in general, including fintech players. Brexit might also make it harder for companies to attract investment.

Diana Paredes (<https://twitter.com/dianartemis3?lang=fi>), Co-founder of Suade (<https://suade.org/>) shared her concerns:

*"Brexit will change things dramatically for London's fintech community. The pool of banks that fintech companies can access out of London may be reduced. Everyone in fintech is now weighing up in which other European jurisdiction they should open an office".*

## Forced to leave a warm nest?

There are over 500 fintech companies in the UK, some of them are now deciding on which way to go. Location is a very crucial issue. A friendly regulatory framework and strong political support for the sector allowed fintech business to flourish in the UK. However, Brexit might force many companies to reconsider their position. The challenge of relocating the business is bigger than just finding new premises, packing up offices and covering relocation costs. Moving to a new location means that business relationships will have to be re-established, access to key markets could be lost and customer confidence will be negatively affected.

Edan Yago, founder of Epiphyte ([epiphyte.com/](http://epiphyte.com/)), specializing in making transactions using Blockchain technology, warned that his company might have to consider leaving the UK in case the tension in country's relationships with the EU increases.

## UK Business Secretary: There is no need for panic

On Tuesday UK Business Secretary Sajid Javid (<https://www.gov.uk/government/people/sajid-javid>) held an emergency roundtable with UK business groups to discuss the implications of the Brexit vote.

Leaders from the CBI, Institute of Directors and British Chamber of Commerce, EEF representing manufacturing and BBA which represents banks and the British Retail Consortium were among the more than 20 representatives of business groups and figures from the UK's most important industries at the meeting.

While business leaders in the UK are very concerned about what is going to follow further, Sajid Javid said that there is no need to panic and assured that keeping the UK's access to the single market will be a priority during further negotiations with the EU.

Perhaps, seeking to avoid fintech businesses slipping away from the UK, the government will seize the opportunity to offer a more attractive tax regime and friendly regulations. Eventually we may see London becoming an even more attractive hub for fintech and start-ups than it has been before.

### Brexit or Grexit - a chance to exit centralized financial system

Anticipating the UK referendum CoinTelegraph had a chance to talk to a few of the fintech business players at MoneyConf held in Madrid and hear their opinion on the impact of Brexit.

Joshua Scigala from Vaultoro (<https://www.vaultoro.com/>) explained:

*"Brexit will certainly set a big precedent. I don't know what might happen, but I think it will unveil another use-case for digital currencies. Brexit, Grexit, or any other sort of exit opens up some options. If you want to take control of your own money, put your money into Bitcoin, or gold, or something else outside this system. You don't need to wait for a super state to come and tell you what to do with your own money or how to deal with this kind of crisis."*



Mariano Alvarellos from Bitinka (<https://www.bitinka.com>) believes in the potential of digital currencies:

*"This is a new world. It shows that there is another way to move money without banks, or maybe still partnering with banks, but conducting transactions at a reduced price".*

It might turn out that fintech companies will eventually win in the case of Brexit, as they are now offered a chance to figure out how to develop, implement and manage a distributed ledger technology that will reduce the counterparty risk and margin requirements. Coming to the market now fintech companies have a chance to attract more customers with lower transaction costs, increased transparency and eventually bring more liquidity to the market.

### Bitcoin trade doubled

Some consider a pound crisis as a great chance for Bitcoin and other digital currencies. Following the referendum, the pound fell to its lowest in more than 30 years. As a result, the demand for assets such as US dollars and gold has risen. Amidst all of the uncertainty caused by the impulsive decision to shut the door and leave the EU, people started looking for a safe place to keep their money.

Bitcoin in this case appeared as a safe haven as it is unconnected to any government or central bank. Reportedly, the volume of Bitcoin exchange has doubled as many people rushed to buy Bitcoin for pounds and euros, accelerating the rise of its value.

Gil Luria, managing director at Wedbush Securities commented to Bloomberg:

*"Consumers are buying Bitcoin as an asset uncorrelated with the global monetary system, much like gold. If other countries in the EU pursue similar paths, I would expect some of their citizens to look at the British experience and want to protect some of their funds in Bitcoins."*

Even though Bitcoin is a young experimental money, and therefore highly volatile, Gil believes that volatility is still much better than knowing your money will be devalued by 10-30% within a few weeks.

► EU ([/tags/eu](#)) ► United Kingdom ([/tags/united-kingdom](#))

► FinTech ([/tags/fintech](#)) ► London ([/tags/london](#))

► Brexit ([/tags/brexit](#))

#### Comments

Author **Rebecca Campbell**

2016-06-30 06:17 PM

## Australia to Make Blockchain Voting App a Global Democratic Movement

**17594** Total views

**682** Total shares



While Russia is testing an e-proxy voting system ([cointelegraph.com/news/russia-tests-blockchain-voting-plans-to-launch-it-in-2017](http://cointelegraph.com/news/russia-tests-blockchain-voting-plans-to-launch-it-in-2017)) based on a distributed ledger, Australia is launching a Blockchain voting app in hopes of starting a global political movement.

The Flux Party (<https://voteflux.org/>) is a new Australian political party that aims to return power over important decisions made in Parliament to individual electors.

Launched six months ago, the Flux Party seeks to win enough seats at federal, state, and local levels enabling voters to directly influence the outcome of legislation that affects them, through the Flux app that has been built entirely on the blockchain.

### Blockchain - when politics can benefit from technology

On July 2, the co-founders of the Flux Party are putting up 13 candidates in Australia's Federal election; however, while they are just running for a few senatorial positions, they believe that this tool could have the potential to change the way of politics in the future.

Speaking to CoinTelegraph, co-founder of the Flux Startup, Max Kaye (<https://au.linkedin.com/in/maxkaye>), says that people should be able to have a say on how issues are decided more than once every three years, which is how often people have the opportunity to vote at the national level in Australia.

Kaye says to CoinTelegraph:

*"Under our model, Flux representatives elected to the Australian Senate will vote on every piece of legislation before them as they are directed to on a proportional basis by registered voters using the Flux app, which is based on blockchain technology. This way, every person gets to have a direct say in the fate of legislation that is important to them."*

According to Kaye, the levels of disengagement and disaffection with the political system has never been higher in Australia and comparable democracies.

As a result, the Flux Party is tapping into that concern by offering a way for people to reclaim some control over the decisions made in their name by combining the principles of participatory democracy with the benefits of technology.

### What is the Flux Party?

Kaye explains that the idea behind the Flux Party originated after the 2013 elections when he had been on polling booths all day and was disappointed watching the results come in.

He says:

*"Not just because my party hadn't won a seat, but because there was just so much waste. Thousands of people around the country had got out on polling day, tried to get someone elected, and our democracy threw all that effort back in their faces."*

He then started thinking of ways to avoid the waste and how to work with minor parties. Over the next three years he met fellow co-founder, Nathan Spataro (<https://twitter.com/nathanspataro>), the Flux Party leader, where they refined the design, and started a political party.

Despite the fact that they have only attracted over 3,700 members, they have done so in a relatively short period of time. Compare that number to the Australian Greens, who have around 12,000 members and have been around for more than 20 years, and it demonstrates that the Flux Party are beginning to build a significant presence with them on track to becoming the third major party in Australia.

### Flux vs. mainstream politicians

Of course, Flux could be a serious proposition in an age when trust in mainstream politicians and political parties is at an all-time low in Australia and around the world. Consider the U.K.'s decision to leave the European Union, the U.S. presidential elections, and far-right parties in Europe.

Kaye explains:

*"I think Western liberal democracies around the world are under challenge right now and the rules and norms under which they have traditionally operated are falling away. There is a general sense that the will of the people is not being reflected in the actions of established party structures, and many voters want something different. That's being felt across the spectrum, from left to right."*

He also points out that Flux directly addresses this need by providing a way for people to have their voice heard on important issues. He thinks the forces that make Flux an attractive option are global in nature and given the challenges facing democracy, it's very timely to introduce it in Australia.

However, the founders of the Flux Party are not just focusing on the Australian market with the Flux app; they have intentions of reaching a global market by inviting political parties around the world to take up the app too.

Kaye concludes:

*"A major feature of the app is the ability to start Flux chapters anywhere, in any country. We're in this for the long haul, and know that if we're going to go the distance we need to go global. It's absolutely our intention to make Flux a global democratic movement, and there's never been a better time."*

◆ [Australia \(/tags/australia\)](#) ◆ [Blockchain \(/tags/blockchain\)](#)

◆ [Applications \(/tags/applications\)](#) ◆ [Voting \(/tags/voting\)](#)

◆ [Flux Party \(/tags/flux-party\)](#) ◆ [Politics \(/tags/politics\)](#)

◆ [Max Kaye \(/tags/max-kaye\)](#)

Comments

Author Rita Ahlman

2016-06-30 04:45 PM

## Finnish City Partners with IBM to Validate Blockchain Application in Logistics

1940 Total views

446 Total shares



A Finnish development agency is piloting a blockchain-based logistics application in order to revolutionize the supply chain. The project is set for three years and is funded by 2.4 million Euros from EU's INTERREG Central Baltic ([www.econotimes.com/Finland-state-company-receives-fund-to-pay-for-blockchain-powered-project-225187](http://www.econotimes.com/Finland-state-company-receives-fund-to-pay-for-blockchain-powered-project-225187)).

Kouvola Innovation Ltd ([www.kinno.fi/en](http://www.kinno.fi/en)), or simply Kinno, is a development agency owned by the City of Kouvola, Finland. On the 1st of September 2016, a new project by Kinno – SmartLog – is kicking in: smart contracts ([www.kinno.fi/article/kouvola-innovation-sai-eulta-miljoonarahoituksen-alylogistiikan-kehittamiseen](http://www.kinno.fi/article/kouvola-innovation-sai-eulta-miljoonarahoituksen-alylogistiikan-kehittamiseen)) are going to be built into actual shipping containers. The app is supposed to issue information about containers' location, surroundings and such to different ERP systems.

The main partner of the project is IBM. Mika Lammi, Kinno's Head of IoT Business Development ([www.kinno.fi/en](http://www.kinno.fi/en)), explains this choice by saying that "there is no other company like IBM yet that would have better understanding or insights into what blockchains are about."

However, a lot of Finnish startups and companies are doing interesting work with blockchains, and Kinno will definitely be working with them, too, at some point.

### SmartLog pioneering in logistics and in the world

Mika Lammi says to CoinTelegraph:

*"SmartLog has been designed as a proof-of-concept project – our main objective is to demonstrate and validate that blockchain technology application is indeed capable of reducing end-to-end transport times in any given transport corridor, major or minor."*

To achieve this goal, Kinno is going to recruit hundreds of logistics industry companies across the Baltic countries to act as pilot participants.

Then an academic research framework is going to be defined for analyzing operational data being collected from piloting companies. With the help of this data, Kinno will develop a blockchain fabric and smart contract layers in order to facilitate an enhanced way of sharing/moving data between companies.

### SmartLog regionally

The Kouvola city government, under whose authority Kinno exists, gives the company complete freedom of action with one request only – to do anything that helps the region's business growth and appearance of new jobs.

Kinno's own business development goals also involve helping to generate knowledge, experience and opportunities for their client companies in Kouvola, and they see SmartLog as a perfect platform for reaching these purposes too.

### Are blockchains friend or foe?

In light of recent attack on The DAO ([cointelegraph.com/news/r3-and-the-dao-danger-how-the-attack-can-impact-the-blockchain-consortium](https://cointelegraph.com/news/r3-and-the-dao-danger-how-the-attack-can-impact-the-blockchain-consortium))'s Java-based smart contract code, many have worries concerning the security of blockchain technologies. What is Kinno going to do about security of their pilot?

Lammi explains:

*"We are obviously very aware of the security aspects of our initiative, and as our goal for this project is to create a proof-of-concept level implementation using a live business environment as a development environment, we will be taking extra care both with hardware and software layers of security. We have been already bouncing some novel ideas about creating as secure an environment we possibly can, but for obvious reasons we cannot go into detail with those."*

On the other hand Lammi feels really positive about blockchain technologies and growth of this area in the future:

*"I believe blockchain tech to be one of the truly disruptive and innovative application areas in the world at the moment, and that it will create huge waves across all imaginable business sectors, not just transportation alone."*

However, Lammi keeps his head cool and his feet on the ground, saying to CoinTelegraph:

*"That being said, I also believe that blockchain is a precision instrument in the sense that it can be effectively applied to only a handful of scenarios in any given field of business – it certainly is not a magic bullet solution in itself."*

◆ Finland (/tags/finland) ◆ Partnership (/tags/partnership)

◆ IBM (/tags/ibm) ◆ Blockchain (/tags/blockchain)

Comments