

**THE BOOK OF  
BITCOIN**

THE FUTURE OF MONEY EXPLAINED



BY EVANDER SMART

FOUNDER OF BITCOIN UNIVERSITY

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# THE BOOK OF BITCOIN

THE FUTURE OF MONEY EXPLAINED

JOIN EVANDER SMART AS HE REVEALS THE  
KEYS TO BITCOIN INVESTMENT SUCCESS.  
LEAVING WALL STREET TO STUDY BITCOIN  
FOR 10 YEARS, EVANDER GIVE YOU THE SECRETS  
YOU NEED TO PROSPER IN A DIGITAL WORLD



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# THE BOOK OF BITCOIN

SECOND EDITION

WRITTEN BY EVANDER SMART  
FOUNDER OF BITCOIN UNIVERSITY

BROUGHT TO YOU BY  
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# DEDICATION

This book is dedicated to my mother, the late, great “Queen” Mary, who passed away in 2019, after an 11-year battle with Cancer, at the age of 71.

We always had an unspoken connection, even though we never spent a great deal of time together, both when I was a child, running around New York City, nor as an adult, struggling to survive without her support. She was always working, to support the family, or going to school at NYU, gaining not one but two degrees, at 35 years old, with four kids in tow.

From there, she worked for 15 years as a social worker, helping people throughout New York with their problems. I never once saw anyone help her with her relationship problems, weight problems, drinking problems. She just soldiered on, leading the family, until her final days.

I called her up one day in May of 2019, just to hear her voice, and her voice was weak this time. She said she wasn't feeling well, and needed help.

She had moved into a studio in Harlem, to be near her doctor, on the Upper East Side. I was in Houston, struggling in a cold job market, not doing enough at the time. I told her simply "I'll be there."

My beloved MR2 got me to New York the next evening. With New York being my hometown, I quickly snapped up a job, while tending to Mom at night. I call it my "Summer of Love", as this was the most time I had spent with her, maybe ever. Being a poor family in New York meant we never went on "Family vacations," so time to bond was fleeting.

One night, I sat at the edge of her bed, and looked at her. I wanted to say everything she deserved to hear, how she was the greatest person I had ever known, and how I was gonna make her so proud of me when Bitcoin University was this huge

success, but I just sat there, overwhelmed by the moment, a moment we never had again. The timing was right but I was not. I couldn't handle the pressure, so my eyes moistened, and I just said: "You'll be alright, Ma. What would you like for dinner?"

We did have several chats over the summer, but one of the last ones was about me and how, well, I won't go into the details, but her view of me will keep me inspired and motivated for the rest of my life. She told me exactly what I needed to hear. I just wish I could've done the same for her.

A month later, she was now walking around and able to head back home. My little MR2 was stolen by this time. Gotham is hard on sports cars, but I was fueled with the fact that I did my part to help her through the most difficult time of her life. The only time she couldn't fend for herself, much less care for the family. I would never see her again.

The Monday before Thanksgiving, around Midnight, I receive the call. She had succumbed to Cancer. My sister was visiting her at the time, and she said she was lying there, and then she just started moving, an energy kept building, until she was swinging her arms, half asleep, each punch was more violent than the last, until she stopped, and her pulse flatlined.

She had beaten Cancer into remission, 3 times, and this time, The Grim Reaper wasn't taking no for an answer. Being The Fighting Irishwoman that she was, she literally fought the clutches of the man with the sickle until her very last breath.

“The Queen” always called me “King”, which was short for “King Kong.” I never questioned why she gave me that moniker, as I was never very strong as a youngster, and was rather thin, not dominant in any physical way, like the giant animal. Well, I now wear that badge with honor, as only a Queen can make a King.

If that is what she saw in me, I need to be that, for her. There are certainly worse things a parent can call a child. I've been on the other side of that pendulum, too.

In closing, I know she is looking out for me now, watching me, making sure I live up to the moral and ethical standard she set for me and our family. I know what her expectations are, and I will spend the rest of my days fighting to make her proud. In the end, I guess I'll never know if that ever is to be the case, but she'll know, and I'm fine with that.

So here's to you, Queen. Thanks for being the smartest, the toughest, the most focused Mom ever. And thanks for fighting until the bitter end.

A wise man once said "A love between a mother and a son is the greatest love he'll ever know, because it is the only love he'll ever know that is unconditional."



Thanks, Ma. We're living The Dream, now.  
Together.  
Always.



**"The Queen" Mary  
1948-2019**

# INTRODUCTION

Welcome to The Book of Bitcoin. I am your author, your host, in the Bitcoin space, Evander Smart, Founder of Bitcoin University. I have been in the Bitcoin space since “The Fall of Cyprus,” early in 2013, proceeding four years as a Wall Street banker, and preceding four years as Bitcoin news writer for Bitcoin news sites like Crypto Coins News (CCN), CoinTelegraph, Bitcoinist and [Bitcoin.com](http://Bitcoin.com)

In 2015, I built Bitcoin University as a labor of love, cataloging every time I learned something, I would write an eBook, or create a video, that helps anyone learn more about this amazing technology.

Not being very tech-savvy, my mindset was to chronicle my understanding, and produce content that anyone could understand. You can find the site located at <https://BitcoinUniversity.org>.

In addition to four years experience as a Bitcoin news writer, where I would break Bitcoin news, do interviews, and compare and contrast Bitcoin to the legacy economic system, I also am a Certified Bitcoin Professional with the Digital Currency Council, since 2015, and a Certified Blockchain Expert with The Blockchain Council since 2018, and I am a Bitcoin investor and a current Bitcoin node.

I am writing this book because it is necessary, for you, and for me. You know what they say. “Everybody has a book in them!” Well, this is my book. People ask me these Bitcoin questions all the time, and this book is of the utmost importance, so the goal here is to answer Bitcoin questions, in a simple, succinct manner that will show how incredibly brilliant this technology is, without bogging down on the finer details. If you want the minutia, The Internet is great for that.

With *The Book of Bitcoin*, we now have a guide to help new users, or Bitcoin intenders, to learn more about “The Internet of Money”, “The Future of Money” or “The Currency of Freedom.”

IMO, since 2009, Bitcoin has proven to be “The Currency of Freedom.” Every Satoshi, Bitcoin’s smallest unit of measure, held represents an amount not held in a captured, and inflating, fiat currency, or a centralized, and imploding, coin in the adjacent “Crypto” space. You cannot claim to have financial freedom if you only can use a captured, or centralized, currency.

We’ll go over the difference between Bitcoin and “Crypto” later on, but the point of this book is to answer the most common Bitcoin questions, and you’ll notice the answers to very important questions can be had in a couple of hundred words.

You don’t need to be a coder or developer to understand. The more educated you are on what a

Bitcoin can do, and the more answers you have to Bitcoin, the more likely you are to enter “The Future of Money,” and hold “The Currency of Freedom.”

I am not very tech-savvy, and am not a coder or developer, so basically I have sought to master the surface level of Bitcoin, the part we will actually use and interact with, every day. There are plenty of people who know more about the nuts & bolts of Bitcoin than I. Andreas Antonopoulos, for example, has a great book called “Mastering Bitcoin,” if you want a 2nd-level work

The goal of Bitcoin University, in general, and this book, in particular, is to give you the Bitcoin education you need, and nothing you don't. Remove the tech jargon, explain why you need to be here, and how to do it, quickly and easily. I'll let someone else handle the rest. This rabbit hole can get deep, fast. So, let us begin with answering the top Bitcoin questions of newbies.

One more thing. Just because I wrote this book, that doesn't mean I know everything about Bitcoin. Only Satoshi Nakamoto may know "everything", and even he wouldn't know "everything" about what Bitcoin is today, over 10 years after he broke off communication with the Bitcoin community. Bitcoin has evolved since then.

I'm just a fan, a student, of Bitcoin, and I'm always learning, just like all of us are in this journey called life. After 10 years in the Bitcoin space, there is still plenty I don't know, as I have focused on the basics, the consumer touchpoint of Bitcoin.

This rabbit hole can go as deep as you want, but knowing everything doesn't make you a better teacher. Teaching makes you a better teacher. So I'll keep teaching what I know, and hope that you gain some value from this, and hopefully, I can keep the lights on, following my passion, sharing the technology that I love.

The way I see it, it's like being a time traveler, going back 30 years, and telling people about this technological concept called "The Internet." If you knew about "The Internet", and nobody else around you did, what would you say?

I'd like to give a shout out all of those who may have contributed some knowledge to this book, and to me, over the years, including Andreas Antonopoulos, Max Kaiser, Michael Saylor, and anyone else who is spreading their wealth of Bitcoin knowledge. Thank you.

In conclusion, this is what I've learned, after 10 years in Bitcoin. Is everything 100% perfectly accurate? No, but it's pretty damn close. I've been in the trenches for years, and this is my report. It's my opinion, my perception of what Bitcoin is, and should be. If it helps you, that's awesome! That's the whole point. If my truth hurts, that's your problem. This book is not for snowflakes. If you can do better, write your own Bitcoin book. Good luck!

# WHAT BITCOIN TERMS SHOULD I KNOW?

Let's get some basic housekeeping out of the way. We'll start this off with some basic terms you'll hear online, about Bitcoin, and what they mean. In any community, and Bitcoin's 99% online, you'll have jargon that is specific to that space. So here are some popular terms you should know.

**Bitcoin:** The global decentralized protocol and ecosystem, which includes The Blockchain, Bitcoin Core, Nodes, Miners, and Exchanges.

**bitcoin:** The token Bitcoin uses. Limited by design to 21 million. Available in smaller units, known as Satoshis, or Sats, for short.

**BTC:** Short for Bitcoin

**HODL:** A famous Bitcoin typo that means "Hold." May represent an acronym for "Hold On for Dear Life."



**Bitcoin Wallet:** A place where your Bitcoin private keys are held. Every Bitcoin Wallet has “Public” keys and “Private” keys. Think of your “Public” keys as your email address, where people can send you Bitcoins. Your “Private” keys are like your log-ins to your email, or Bitcoin wallet. Those give someone full access to everything you have.

**Crypto:** The digital token and ecosystem outside of Bitcoin. Also known as *shitcoins*. Those new to the space group Bitcoin and Crypto together, but this is incorrect. They are not one and the same.

**FUD:** Fear. Uncertainty. Doubt. Usually spread, on purpose, to get markets to move away from Bitcoin, or to drive the price down, so interested parties can increase their position.

**Satoshis or “Sats”:** Bitcoin’s smallest unit. Think of it as a penny of Bitcoin.

**Whale:** Large holder of Bitcoin. Can move markets with one trade.

**Bitcoin Exchange:** Places to trade paper currency, or shitcoins, for Bitcoin. EXCHANGES ARE NOT BANKS! There is no FDIC Insurance with a Bitcoin Exchange! So ALWAYS take your Bitcoin off of exchanges. Not your keys. Not your Bitcoin.

**Pump and Dump:** Common amongst shitcoins, where owners/developers scheme to inflate their value, many trading amongst themselves, and then sell, after a gain is realized.

**Block:** Where Bitcoin transactions are stored, every 10 minutes, by miners, creating a blockchain.

**Blockchain:** A chain of blocks, storing all Bitcoin transactions, since the Genesis Block (The first Bitcoin block, Mined by Bitcoin Founder Satoshi Nakamoto.) The blockchain is a

decentralized digital ledger of every Bitcoin transaction. A new block is added to the chain every 10 minutes.

**ATH:** All-Time High Bitcoin Price

**Consensus:** The required approval of all blockchain participants to make significant changes to Bitcoin blockchain protocol. Normally 90+%, to limit ability to change it on a whim, by a bad actor.

**FOMO:** Fear Of Missing Out. Usually applies as Bitcoin price rises.

**Halving:** Bitcoin production is reduced every 210,000 blocks, or about every 4 years. The next halving is in March of 2024

**Miners or Mining:** The art and science of creating Bitcoins using SHA-256 mining rigs to solve algorithmic equations for Bitcoin Blockchain rewards.

**POW or Proof-Of-Work:** Bitcoin consensus mechanism. Best for decentralized networks, as opposed to *Proof of Stake*, which works for centralized networks.

**Bitcoin Whitepaper:** Penned by Satoshi Nakamoto, on October 31st, 2008, it is Bitcoin's original business plan, or mission statement.

**Satoshi Nakamoto:** The Founder & Creator of the Bitcoin protocol, the Bitcoin Blockchain, and was Bitcoin's first miner. The world does not know if this is a man, woman, group, or company. His wallet holds approx. 1 Million Bitcoins. The first 1 Million Bitcoins. Has not spent any Bitcoins, and has not been heard from since April 26, 2011.

**Seed words/phrase:** 12-24 words used to access a Bitcoin wallet, as a backup, in case passwords or physical tools are lost by the owner.

**Shitcoin:** Refers to any token in the digital ecosystem started by Bitcoin, but not called Bitcoin, due to their relative lack of value, lack of decentralization, and lack of security.

99% of the time these coins have a pre-mine (Founders and Venture Capitalists funding it, to get a bunch of coins up front), has a lead developer, or some centralized leader, and/or a closed-loop centralized blockchain.

In essence, these are derivatives, much more similar to the current national, debt-based inflationary fiat currencies we use today, operating as the inverse of Bitcoin's open, scarce and secure decentralized network.

# BITCOIN IS CRYPTO, RIGHT?

Wrong!

This is a huge point, which is why it is at the front of this book, so it must be understood, before moving forward. This is where fake news, mainstream media, and private interests collide, and produce misinformation classifications. This could be merely out of convenience. Or something more subversive.

Bitcoin and “Crypto” are binary, not one and the same. It’s like Black and white. Day or night. One follows the other. It is very convenient, just not accurate, to say Bitcoin and Ethereum and Solana, and other shitcoins, are the same thing. It’s lazy.

Bitcoin started the space, and its technology is based upon “cryptography” or the tech behind securing information online, used in your bank account for generations. Bitcoin is an evolution of

that tech, and is now the most secure technology ever created, being protected by the largest computer network of all-time, and growing.

Shitcoins came of age years after Bitcoin launched, and have proven pretty consistent in their design. Lead developer, venture capitalists, if not actual mainstream banks and lenders, funding and influencing the project (see Ethereum) and pre-mines, which are percentages of the token given to insiders before being sold to the public. This would traditionally make them unregistered securities.

One should view shitcoins as similar to a “penny stock” in the stock market. Bitcoin would be like Apple or Tesla or GM stock. If you can’t handle buying Apple stock, you really aren’t ready for penny stocks.

“Crypto” in many ways is the polar opposite of Bitcoin. These shitcoins are centralized, unregistered securities, not decentralized

commodities, like Bitcoin. Many times their backers fund Anti-Bitcoin propaganda you have heard before, like Bitcoin is bad for the environment, or throwing money at regulators to regulate Bitcoin like they would a security. 99% of the time, shitcoins are run, or backed, by online “grifters” looking to legitimize their online shitcoin.

Notice how the opposite never happens? Because Bitcoin doesn't have venture capitalists pushing it, nor lead developers, looking for a return on an online scam. Bitcoin has nothing to fear because it was designed with integrity, from the start. When you live a life of integrity, you have nothing to hide.

Shitcoins aren't registered with any government agencies, like the SEC, but have corporations, lead developers, pre-mines, ICOs and work hard to avoid regulation, by misrepresenting their business location, entity and goals.



If you say you are decentralized, and you're not, you're a shitcoin. If you have a business address in The Bahamas, but 99% of your business is done outside of The Bahamas, you're a shitcoin. If you are producing a security, meaning you are the issuer, and are expecting a profit, and can perform influence over the protocol, but are unregistered, and unregulated, it's because you're a shitcoin.

This isn't as complicated as many try to make it out to be. It's smoke and mirrors. I've been through the wars, so I see through this. The more educated you are, the less likely you will make bad investments (shitcoins) and make good investments (Bitcoins). Plus, you are far less likely to fall for globalist propaganda, saying Bitcoin is the problem. Educated investors buy Bitcoin. Choose your digital path wisely. Your financial future depends on it.

To sum it up, Michael Saylor, owner of over 150k Bitcoins, once said, "If you think Bitcoin and Crypto are the same, you don't understand either."

# IS BITCOIN GOING TO REPLACE THE U.S. DOLLAR?

Bitcoin is not here to replace the U.S. Dollar, or other fiat currencies. It is here to make them obsolete. The days of paper currencies is coming to an end, as we know it, anyway.

Think of Bitcoin versus the U.S. Dollar as going from a rotary phone to a smartphone. Bitcoin is smart money. The U.S. Dollar not so smart.

Bitcoin does compete more directly with products like Gold, Silver, ETFs and Bonds. People in those markets know this, and are afraid of Bitcoin, so you will hear FUD coming from these areas. These days, it is hard to find a faction not throwing FUD at Bitcoin, out of fear.

Bitcoin cannot, by regulation, compete directly against the U.S. Dollar because Bitcoin has

been regulated as “a property” by the IRS since 2014. The U.S. Government doesn’t want to compete for your finances, and that’s fine, as Bitcoin is not designed to replace fiat currencies.

The digital space has digital currencies for this purpose, and they are known as “stablecoins,” pegged to the U.S. Dollar. These should, eventually, be taken over by the banking establishment.

Bitcoin is effectively a digital asset, or property, that gives digital property rights to anyone on the planet who wants something that can’t be inflated away, can’t be stolen, trades in seconds, for just a few cents, and can’t be taken over by governments, and is limited in supply.

The U.S. Dollar is irreplaceable as a global currency. It is the world’s leading economic brand, and even though The Federal Reserve and U.S. Government have done everything they can to destroy the USD under the weight of its own debt,

they cannot kill it. And they have the military and macro-economic might to keep it afloat, against virtually no competition. No other national currency is ready to take the mantle of the global reserve currency. Even Bitcoin cannot do that.....yet.

The USD is destined to become digital, in nature. That is the next logical step. Why wouldn't the U.S. create a digital dollar that they could print infinitely, forever, without printing costs, shipping costs, or any accountability, on a closed-loop network.

I think the only thing stopping the government and banks from doing this is coming up with a way to secure this digital network. Banks and U.S. Government facilities have been hacked, more than once, in recent years, so they have to sort out security.

“The Digital Dollar” is being tested, and has been floated in Washington over the last 2-3 years. It is coming, sometime between 2025-2030. It’s just a matter of time, and who builds it. The central banks? The Fed? The government? Is this part of a global digital economic network? The decision has already been made. It’s just the fine details that need to be resolved.

As people like Michael Saylor have proposed, Bitcoin should be the underlying asset, like The Gold Standard used to underpin the US Dollar before The Great Depression, and the Gold Confiscation Act of 1933.

# SHOULD I INVEST IN ETHEREUM?

This book is about Bitcoin, but I get this question so much! The short answer is no, unless you are a business, looking to develop your own currency, or are creating a closed blockchain.

I wouldn't recommend anyone invest in shitcoins until they have been owning and using Bitcoins for at least 6 months, and have entered Bitcoin University's full training program (<http://BitcoinOwnersManual.com>)

The upsides of shitcoins is a short list: You can make a lot of money, really quickly, with some good fortune. Bitcoin has grown too big these days for these kinds of rags to riches stories, in a short period of time, but a new shitcoin can pump (Move up in value fast) in a day, or even an hour, usually through some market manipulation, and dump (drop really fast) the next, again, usually by design.

The ones who make money on shitcoins are the insiders, running the scam, 99% of the time.

Ethereum, being the largest coin in “Crypto”, is the polar opposite of Bitcoin. While Bitcoin focuses on being open-source, permissionless, censorship-resistant and decentralized, with a proof-of-work protocol built around competition, and security, through mining, Ethereum’s Proof-Of-Stake does the opposite.

It has proven to be fully centralized by its lead developer & founder, Vitalik Buterin, and was funded by large private interests and VCs, with a pre-mine (Tokens taken from circulation and given to VCs and investors) before being sold to the public. Instead of nodes, as in Bitcoin, they use validators, who can only be those who have stake in the system by owning large amounts of Ethereum, hence the proof-of-stake moniker.

Sounds good, in a vacuum, but in practice, this favors centralization of the protocol, by those who were handed tokens in the pre-mine. And you must stake your Ethereum, or else the value of it is diluted over time, much like inflation. It also favors rent-seeking behavior, and an incumbency that is works very similar to the economic establishment we already have, like the Federal Reserve and the centralized banking system

BTW, how do you make a shitcoin? You actually need Ethereum's ERC-20 tokens! Other utility tokens can make a shitcoin, but Ethereum's ERC-20 is the Google of shitcoinery. These shitcoins have led to billions of dollars of scams, and Ethereum has been removed from top Bitcoin exchanges like Paxful. Ethereum is literally the sphincter of the shitcoin industry!

In the years to come, all the disclosures come out, all the dirt going on in the back, who really runs it, use of proceeds, executive compensation,



Infura, etc. There's a reason why Ethereum wants to be seen as a commodity, not a security. There's A LOT that is hiding in the dark. And what you do in the dark will come into the light

Another problem with Ethereum is the amount of transactions that are OFAC-monitored is around 75%, so using Ethereum makes you subject to various levels of surveillance, censorship and data mining that you probably aren't aware of.

The real answer is Ethereum is a utility token, with a potentially unlimited supply, much higher supply than Bitcoin, so it is not designed for investors. And it has had issues with centralization, back-end reversal of transactions, and protocol changes at a whimsical pace, so I can't recommend Ethereum, except for a few business applications.

They have called their protocol "decentralized", before their DAO (Decentralized Autonomous Organization) scandal, where they

were not only hacked for hundreds of millions of dollars, but had to reverse the entire program from the back office, exposing it as the opposite of a DAO

The crux of the matter is Ethereum will be regulated as a security, not as a commodity, by the Securities Exchange Commission. What is the legal difference between a commodity and a security? A commodity is an asset without an issuer. Examples would include Gold, Soybeans, Wheat, and yes, Bitcoin has no issuer. These are commodities.

A security includes all financial assets, offerings or instruments that have an issuer, meaning a lead developer, ICO, venture capitalist funding, pre-mines, etc. These can range from gaming tokens to frequent flyer miles, and Ethereum falls into that lot, passing “The Howie Test”, defining a security.

There are also very good reasons why the Ethereum devs do not want to be labeled a security. It comes down to legal disclosures that will be required, by the SEC, of an security sold in the U.S..

These disclosures may include, but may not be limited to: Who owns how much Ethereum, use of proceeds, how was the security capitalized, potential investment risk factors, and various histories of Ethereum's financials. And any withholding or misinformation would be illegal.

So there are a lot of skeletons in the Ethereum closet that Ethereum doesn't want revealed. Ethereum is just another shitcoin, and isn't built to last. Ethereum is not recommended.

Think of Ethereum as a crypto app store, that opened up in 2015, on 5th Avenue, in Manhattan.. Think of Bitcoin as 5th Avenue. Would you invest your savings in the future of an app store? Or would you invest in the future of 5th Avenue?

# HOW IS BITCOIN LIKE TESLA?

- The similarities in history, design and purpose are startling.
- Tesla started building new electric cars in 2008.
- Bitcoin's white paper was penned by Satoshi Nakamoto in 2008.
- Bitcoin was the world's best investment during the 10 year period, 2010-2019, and continues to be the best, from 2013-2022.
- Tesla has been the world's best investment from 2020-Present
- Bitcoin has revolutionized the concept of money, since its inception.
- Tesla has revolutionized the concept of motoring, since its inception.

- Bitcoin can do things other forms of money cannot.
- A Tesla can do things other cars cannot.
- Bitcoin has now influenced banks to create blockchains and CBDCs.
- Tesla is forcing car companies to create their own EVs, to compete.
- Bitcoin is the fastest growing technology in history.
- Tesla is the fastest growing car company on Earth.
- Bitcoin was designed from a clean sheet of paper, searching for how to make a better form of money.
- Tesla is an electric automobile, made from a clean sheet of paper.

- You could buy a Tesla with Bitcoin (2020)
- Tesla's owner, Elon Musk, bought \$1.5 Billion worth of Bitcoin (2021)
- Bitcoin is worth more than Bank of America or Coca-Cola.
- Tesla is worth more than Toyota and Volkswagen, combined.

# WHERE DOES BITCOIN GET ITS VALUE?

Bitcoin is valuable for several reasons. First, it is limited in supply, with only 21 million Bitcoin to ever be produced. This makes it much more precious than national fiat currencies, other tokens like Ether, or precious metals, like Gold, which has paper contracts, diluting its value, or stock, which can be printed any time, or even real estate.

Bitcoin also has a massive network effect, being the first of its kind, the foundation for blockchain technology, and the entire crypto economy, as “crypto” rises and falls with Bitcoin. “Crypto” dies without Bitcoin, like you, trying to live without a spine.

Bitcoin can do what no other asset can do. It can move any value at the speed of light, anywhere in the world. It is protected by the largest computer network in human history, so its security far exceeds government security, and banking systems,

both of which have been hacked, several times, since Bitcoin's invention.

Bitcoin's unique skill set makes it tantamount to electricity, steel or fire in that it can do things nothing else can do, faster, more securely, and at a lower cost, giving it inherent value.

Bitcoin is also a learning technology, that can improve over time, with faster and faster ASICS Miners, Bitcoin Improvement Proposals (Try improving Gold), and it can add Layer 2 and Layer 3 applications, like The Lightning Network, making its services available, on platforms like Twitter, for less than a penny. And we didn't even mention its legendary ROI.

The daily market value of Bitcoin is set by day traders, not the millions of HODLers, who hoard Bitcoin, and don't use them, so also keep that in mind. The price is set by those who use and trade Bitcoin, not those who own it for the sake of saving them, long-term.



# HOW DOES BITCOIN SOLVE GLOBAL ECONOMIC PROBLEMS (USING FIRST PRINCIPLES?)

Ok, let's look at the world Bitcoin has entered, using First Principles, or things we know are true, and then reasoning up from there.

Economically, we have the U.S. Dollar, as our leading economic system, and Gold, as our most popular investment vehicle. What we know about the U.S. Dollar is it's riddled with inflation, causing it to lose 99% of its value since 1913, when the current Dollar was produced.

So it isn't a store of value, meaning it is a currency. You can counterfeit the U.S. Dollar, so it's not a great currency, either, and it has put the U.S. and its people, into over \$20 Trillion in debt. Wire transfers take days. So there is room for improvement.

We also know that Gold has little real-world use in commerce, is very difficult, and expensive, to move across borders or great distances, and if I gave you a Gold bar, or coin, you wouldn't know if it was 8 carat, 24 carat, or plated Tungsten. You don't know how much Gold is in Fort Knox, and we also know that you can't get a yield on Gold, because no one wants to rent it. And we can't use it as a "Gold Standard" anymore, because there is no accounting system tied to the asset, so it's easy to corrupt.

We also know that Gold has been one of the world's worst investments over the last decade, rarely beating the CPI, much less the real rate of inflation. CPI & Inflation are not the same thing.

So how does Bitcoin innovate around, or remove, these many problems that affect both Gold and the U.S. Dollar? Blockchain technology gives you an open-source accounting system. Unlike Gold and the USD, the supply of Bitcoin is capped at 21 Million. You can't make a counterfeit Bitcoin, and

there is no central bank placing a debt on it, or manipulating interest rates. There is no man at the top Bitcoin must serve, like other systems.

Unlike Gold, you don't need a brokerage account, or any third party, to obtain Bitcoin. Unlike the U.S. Dollar, you can legally, and safely, custody your own supply of Bitcoin, without paying an ATM fee or monthly service fee at your banks. There are no holding fees for Bitcoin users.

Unlike Gold, Bitcoin was the best investment of the 2010's decade, increasing in value over 90000%. Unlike the U.S. Dollar, you can send Bitcoin on The Lightning Network for less than a penny, and pay anyone on Earth in seconds for their goods and services, or just send money to family. Western Union will charge you \$10 USD for the privilege of sending money back home.

Bitcoin was effectively built to not replace the U.S. Dollar or Gold, but to make them obsolete. People still read newspapers, play phonographs, and use rotary phones. Bitcoin just gives you a smarter way to save time, money and effort in your life. It represents an evolution of the human condition. The only question becomes: Do you want to move forward? Or stay behind? At least with Bitcoin, you now have the option to step up.

## BLOCKCHAIN IS REALLY THE INVENTION, NOT BITCOIN, RIGHT?

Wrong!

Just so we are clear, there were no working blockchains before Bitcoin, so Bitcoin's blockchain is the largest, most functional, and most robust blockchain ever made. Every other blockchain, especially the ones now in use by corporations, banks and governments, came from Bitcoin's design and open-source code. The problem is there are many companies right now who have blockchains, and don't know what to do with them!

However, Bitcoin is the invention blockchain was created for. Satoshi Nakamoto didn't make a working blockchain, and then pack up and call it a day, never to be seen again. That's how significantly better, and more important, he thought Bitcoin was, over blockchain.

Without Bitcoin, without a permission-less, censorship-resistant, open, easily transferable store of value, with nodes, miners & developers creating a global infrastructure, blockchain is just a ledger.

Blockchain, without Bitcoin, is Quicken 2009, or a “dumb network”. It is not smart. Not self-aware. Serves no higher purpose. It doesn’t even really solve a prevalent problem that other ledger systems don’t.

Bitcoin solves multiple problems in current major economic systems, including debt, inflation, corruption, accessibility in all global locations, removing centralized gatekeepers, costs of entry, costs of use, segregation, and it fosters technological innovation, as Bitcoin mining runs on as much as 60% renewable, green energy (Bitcoin Mining Council.)

# DOES BITCOIN REPLACE CASH TRANSACTIONS?

Bitcoin's whitepaper does refer to Bitcoin as "Electronic cash" so, at least initially, there was a currency element to Bitcoin. In 2014, the IRS set regulations for Bitcoin as "(Digital) Property," so its currency component was effectively removed, as other leading nations followed suit.

Bitcoin is no longer a "digital currency." Regulators have called Bitcoin "Digital Gold" (Jerome Powell) or "a speculative asset" (Christine LeGarde), and this is actually a benefit to Bitcoin. Bitcoin really doesn't want to be seen as a threat to national currencies, nor should anyone want these regulators in charge of Bitcoin, in any way. Bitcoin being treated as digital property, or digital Gold, is the best-case scenario.

If you want a digital currency, you would use tokens known as “stablecoins,” which currently are made by private, VC-funded developers and corporations, but will eventually be taken over, collapsed, or superseded by “stablecoins” made for and by the multi-national banking industry. Governments, regulators, and the banks who fund them won’t allow the crypto industry to work around banks that clearly and directly.

So the answer is no, Bitcoin is not here to replace cash, or the U.S. Dollar, or national fiat currencies. It is here to make them obsolete.

Cash transactions, made with paper currencies, are still very valuable, as these transactions are tangible, fast, and don’t allow for a bad actor to corrupt, cancel or intercept these transactions, through digital means.

I personally am a big fan of cash, and think it’s removal is a major affront to future economic



security for individuals. If you have no cash, EVERY transaction you make, from now on, becomes trackable, on someone's central server. Your privacy has now been secured, by someone you don't know, or trust. You are now that much easier to control. That may be the point.

# CAN YOU GIVE ME AN EXAMPLE OF SOMETHING A BITCOIN CAN DO THAT A FIAT CURRENCY CANNOT?

There are many examples, but lets look at micro-transactions, which will be more and more important, as we move into the future.

If you want to buy something small, whether it is a digital download, a piece of candy or even another digital token, doing a transaction below a certain amount, say \$1, depending upon the network and the agreement, becomes problematic, economically, due to the fees required to run the transaction. It is not cost effective to buy something for 20 cents when the transactions costs 50 cents to perform.

Since Bitcoins can be broken down to their smallest unit, a Satoshi, which is fractions of a penny, and the Bitcoin protocol can run

transactions very cost efficiently on the base layer (if you don't need the transaction quickly) or Layer 2 (Lightning Network transactions can be run off a Satoshi or two, very quickly,) Bitcoin is a great way to accept payments on a website, or a food service, that has smaller items for sale, at a very low cost.

In association with that point, the transaction can be quicker, more secure, less expensive, for the merchant, and with no chargebacks. The user isn't subject to hacks of the merchant's software (see hacking scandals of multiple large chain retailers, losing consumer information to identity theft rings.)

The U.S. Government now regularly refers to Bitcoin as "money", "payment" and "cryptocurrency." Well, 2 out of 3 ain't bad!

## IF BITCOIN DOESN'T REPLACE CASH OR U.S. DOLLARS, WHAT DOES IT REPLACE?

Bitcoin is no longer a “digital currency,” and has become digital “property,” in U.S. tax regulations. It is not here to replace or usurp cash transactions, or fiat currencies, like the U.S. Dollar.

What should be worried about Bitcoin's technical superiority are 20th century mock financial instruments, like stocks, bonds and ETFs, and 19th century assets, like Gold and Silver. Also, collectibles like fine art and larger purchases, like yachts, may be affected, if used as wealth storage.

Unlike stocks & bonds, Bitcoin can't be printed up, when demand increases, or when the issuer is struggling.

Gold and Silver are in a similar situation. More metals can be mined, if the demand justifies it, or more mines can be found, as has happened

several times over recent years, due to advancements in technology. Also with Gold, jewelry could be melted down, if the value of Gold increases dramatically, affecting the market supply.

You can even make a great case that digital property, Bitcoin, can also replace physical property, like real estate, under certain circumstances.

Maybe we'll go over that, later on in this book.....

# IS BITCOIN MONEY?

Yes, Bitcoin is “real money.”

I’m sure someone a long time ago said “What is that? Shiny gold rocks? That’s not real money. No, we only accept feathers here.” We have since evolved past trading seashells, feathers, chunks of gold, notches on “Tally sticks,” to the current fiat currency system. Now, as countries collapse under the debt of the ponzi scheme currency creation, the world is now ready for decentralized digital money, AKA Bitcoin.

Bitcoin is more “real” than the cash in your pocket. There is no such thing as a fake, or counterfeit, Bitcoin, but the money you have right now could be a fake. Any fiat currency has, and will get duplicated, after a few years in service, that's why the look of it changes, every few years. Counterfeiting is expensive to counter, and brings distrust to the currency. Again, something Bitcoin technology has been engineered to stop, from Day 1.

Plus money, by definition, holds value over time. Fiat currency or dollars lose value due to inflation, so dollars are legally called currency, not money. Bitcoins appreciate over time, so they qualify as real money. People all over the world receive their salary, in Bitcoin, including ME, back in da day, anyway!

If you can earn an income through it, and it holds its value over time, you have money. Save trees. Get timestamps of Bitcoin ownership and purchases. The Bitcoin Blockchain keeps a record of all purchases made with a particular Bitcoin or the ownership trail of a Bitcoin through the Blockchain. Evolve past the old paper receipt system.

# WHAT MAKES A BITCOIN VALUABLE?

Bitcoins are valuable because of many diverse abilities & factors, things Bitcoin can do that other assets and financial instruments cannot do.

First, Bitcoin is limited in supply, unlike U.S. Dollars, Gold, Silver, stocks, bonds, real estate and other financial instruments that can be created ad infinitum. There are just under 21 million Bitcoin built into the protocol, and this cannot change. With Gold, for example, you have not only the hundreds of millions of ounces that have been produced over the last 1000 years, but you also have “paper contracts” diluting Gold’s value, and all the Gold jewelry can be melted down, at any time.

Bitcoin also features its open-source, blockchain technology, another Bitcoin exclusive in the financial realm. This provides a global, digital accounting system, or ledger, that is transparent, virtually impossible to corrupt, and immutable in



nature. Removing the need for any and all third parties in a transaction, its veracity has been legally proven, several times, to the point where there is legal precedent to trust all the data held, therein.

The other skills it possesses should make it useful and valuable to anyone who wants to store wealth, over time, space and domain (government dominion.)

It is open-source code, so anyone, can read the source code without impediment, use it without permission, and exchange it without the need for a third party, who may be a bad actor.

The cost to send money, regardless of amount, is considerably less than sending fiat currency, Gold or other instruments any distance, at any rate of speed. I, personally, have never sent an amount of Bitcoin for more than \$1 or so, and the costs can be dramatically less than a penny,

using new technologies like The Lightning Network, a Layer 2 application on top of Bitcoin.

The speed of Bitcoin also makes Bitcoin valuable. Any Bitcoin transaction happens at the speed of light. You can send Bitcoin on a Zoom call, using a couple of QR codes on your smartphone. You'll receive your Bitcoin instantly, and it will be verified in minutes on Bitcoin's blockchain.

It also removes the need for any third party intermediaries, making it a unique, secure and valuable global economic network to use, or own, assets in.

Bitcoin is tantamount to fire, or electricity, or steel, in that it does things nothing else does, so it provides a value nothing else can. Fire, steel and electricity are all valuable, but they can only create so much financial value, because they can be reproduced at a high level. Bitcoin cannot.

Bitcoin's supply drops over time. There is a "halving" event about every four years, dropping the amount of Bitcoins mined in half. Meanwhile, demand for Bitcoin effectively doubles every year, increasing its market value, if not its market price.

If someone who owns a Bitcoin dies, their Bitcoin are lost forever, taking those Bitcoin essentially out of circulation, forever. This makes Bitcoins even more valuable, over time, as more and more people enter the Bitcoin space, with fewer Bitcoins to buy, sell or trade, on the market.

# QUANTUM COMPUTING WILL DESTROY BITCOIN, RIGHT?

This is a common refrain, that Bitcoin is not as perfect and invincible as it sounds. ‘Quantum Computers can break Bitcoin’ goes the naysayers. Well, that’s not entirely accurate.

First, Quantum Computers haven’t hacked Bitcoin, mostly because they aren’t here, in effect, and if they are, they have failed to do so, so until that actually happens, that isn’t a fact, its just open speculation. Pretty much everyone who has said that has a vested interest in Bitcoin losing value, either against their investment, or in order to procure Bitcoins at a lower price. It’s just more simple FUD (fear, uncertainty, doubt) not worthy of much attention at all.

If you had a quantum computer, and its express purpose was to hack things, wouldn’t you

use it on a weaker target, since Bitcoin's network computing power is effectively the largest, most powerful computer system known to man? You could hack a variety of government and banking systems faster and much easier, and not have a world of coders, miners, nodes and tech geniuses working against you, in real-time.

BTW, Bitcoin is not without its safeguards against such an attack. Bitcoin already has some built-in quantum resistance. If you only use Bitcoin addresses one time, which has always been the recommended practice, then your ECDSA public key is only ever revealed at the one time that you spend Bitcoins sent to each address.

A quantum computer would need to be able to break your key in the short time between when your transaction is first sent and when it gets into a block. It may be decades after a quantum computer first breaks a Bitcoin key before quantum computers become this fast, or Bitcoin upgrades its

security. Bitcoin is a moving, learning and growing target. Not as easy as it sounds.

All of the commonly-used public-key algorithms are broken by QC. This includes RSA, DSA, DH, and all forms of elliptic-curve cryptography. Public-key crypto that is secure against QC does exist, however. Currently, Bitcoin experts tend to favor a crypto system based on Lamport signatures are very fast to compute, but they have two major downsides:

- *The signature would be quite large, at least several kB (40-170 times larger than now). This would be very bad for Bitcoin's overall scalability, since bandwidth is one of the main limiting factors to Bitcoin's scaling. Advances in scalability such as Segregated Witness (the signature is part of the witness) and Lightning will be helpful.*

- *At the time that you create each keypair, you would need to set some finite maximum number of times that you can sign with this key. Signing more than this number of times would be insecure. Increasing the signing limit increases the size of each signature even more. Since you are only really supposed to use addresses once, this may not be a problem for Bitcoin. (Credit: Bitcoin Wiki)*

So, in conclusion, if someone sends you this Bitcoin FUD, consider the source. There are a lot of people in “Crypto”, and other financial instruments, who have a vested interest in Bitcoin growing no more.

# WELL, WHY DON'T BANKS JUST MAKE A BITCOIN?

*"You know what? You're a funny guy!"*

- Ray Liotta (Henry Hill) in 'Goodfellas'

If banks wanted you to have an asset, like Bitcoin, they would've made Bitcoin long before Satoshi Nakamoto came along. I worked on Wall Street for years, and I know, first hand, that the commercial banks aren't here for your best interests, now, or in the future. They want your money, more over, the control of your money, and they have a wonderful system already, designed to enrich them, and impoverish you. So why make you a Bitcoin?

BTW, making Bitcoin took an incredible amount of understanding and technical analysis of macro-economics, human psychology, cryptography, distributed networks, The Internet,



solving The Byzantine General's Problem, and the construction of many new technological advances. Banks didn't have debit and credit cards until the 1970s. Making technological leaps forward are not what banks do. They exist to generate streams of revenue, make money out of thin air, also known as fractional reserve banking, or quantitative easing.

Making another Bitcoin also would be problematic because it would require a need, a reason to do so. What problem would that be solving, in Bitcoin? The decentralized ledger part? The finite supply part? Or the open and permission-less concept?

In effect, redesigning Bitcoin would be like redesigning steel, or fire, or electricity. Once you have designed the best technology of its kind, your job now becomes protecting it, at all costs, not corrupting it, or dumbing it down, and repackaging portions of it, which is essentially what a shitcoin does, for profit.

Bitcoin Cash, along with many other shitcoins, have gone down this route, and failed miserably, going so far as to flatly lie, stating they are the “real” Bitcoin, and even saying they are decentralized, another lie. Especially in the Bitcoin space, where investors are incredibly smart, technologically advanced, and will check your work, this couldn't be further from the truth. There have been many imposters to the throne, but there can only be one King of Coins. The King is called Bitcoin

What WILL happen is companies, banks and governments will make their own digital tokens. You may have heard of CBDCs, or Central Bank Digital Currencies. These are shitcoins, that can replicate one of two Bitcoin traits, but are otherwise centralized, flawed and easily corrupted tokens designed to control ownership, make a profit for the producers, and create digital control grids.

We will go over the differences between a CBDC and a Bitcoin later. It is an important distinction, because, like “Crypto”, CBDCs are not the same as Bitcoin, and should never be put into that class. There is Bitcoin, and then there’s everything else.

Now, don’t get it twisted. The “central banksters”, if Bitcoin becomes popular enough, try to sell you their shitcoin as better than Bitcoin, due to ability to pay taxes with it, greater acceptance, when they force businesses around the nation to take it, and more stable in value.

They will leave out the many, many downsides. Your identity will be tied, directly, to every transaction, which leaves you open to not only government surveillance, and hackers stealing your identity, and currency. If the government controls all your money, then they have the power to turn off your access to all money, if you have a problem with

the law, vote a certain way, or even donate to a certain candidate or cause.

Their CBDC will never have real value, as they can, and will, make as many digital dollars as their heart desires, so CBDCs don't build wealth, unlike Bitcoin.

How about censorship? If a CBDC were the only money, the creators could prohibit its use at certain websites, businesses and locations. Maybe you aren't allowed to use it at strip clubs or porn sites? Maybe you aren't allowed to use it for alcohol or certain drugs? Maybe you aren't allowed to use it at certain times, or locations due to "national security concerns?" These issues enter the system, when you further centralize the future of money.

Which is why Bitcoin was created, as a counter to "The Great Recession" of 2008. It allows Bitcoin owners to counter every boom and bust of the greater economic system. It is a fallback, a fail-

safe, for when the current centralized system implodes under the weight of debt, corruption, and inflation.

No one is saying put all of your money into Bitcoin. The point of Bitcoin is to give you an option, so you haven't put all of your money into the control of governments, or central banks. That is literally irresponsible, and at worst, foolish. The best way to control a populace is to control their money. Bitcoin gives you control of your own money, for the first time. Ever.

# WHAT IS BITCOIN MINING?

Bitcoin mining is the act of creating Bitcoins. Satoshi Nakamoto was the very first Bitcoin miner, working alone on his invention, after he wrote his Bitcoin whitepaper (October 31, 2008) and Bitcoin “went live” on January 3rd, 2009. He mined the first 1 Million Bitcoins.

Hal Finney was the first person to start using the Bitcoin protocol, outside of Satoshi, and they had a correspondence relationship, as he would give Satoshi feedback on how the protocol was working and things that could be improved. Now, there are millions of miners, around the world.

Bitcoin mining creates Bitcoins by using a “mining rig”, which is a dedicated computer for mining Bitcoins. The type of computer is known as an ASICS “miner”, and it runs a SHA-256 algorithm, or Secure Hash Algorithm-256 bit.

These “miners” are used to compute and process millions of hashes until they find the right one, that unlocks an algorithmic problem. This problem is designed to take all the miners in the world 10 minutes to solve, and the difficulty is adjusted automatically, to compensate for more or less miners, faster or slower mining rigs, etc..

The “miner” finding the correct hash must validate the hash works, and must construct a Bitcoin block, which is a group of verified Bitcoin transactions, and enter it on the Bitcoin blockchain. If the nodes and the rest of the network agree that this block and hash are correct and validate it. the miner receives the Bitcoins for this block, which right now are 6.25 BTC every 10 minutes, and will drop to 3.125 BTC, in the next Bitcoin halving event, estimated to be in March of 2024.

# WHAT IS A BITCOIN “HALVING?”

The Bitcoin Halving Event happens every 210,000 blocks on the Bitcoin Blockchain, which happens about every 4 years, and is the mechanism that limits its total quantity to 21 Million.

The Halving Event is significant, because, to this point, Bitcoin’s market value has been largely dictated by this period, as Bitcoin market value has been fairly consistent in its 4-year peaks and valleys. 2 years before the halving event, Bitcoin’s market price reaches the lowest point.

Then, about 1 year before the halving event, market value rises in general terms until reaching a peak, about a year after the halving event. Then Bitcoin value starts to recede, and you get a “bear market.”



If Bitcoin didn't have "halvings", then we would just make Bitcoin's forever, and Bitcoin wouldn't be any better than the U.S. Dollar, shitcoins, Gold or Silver, or any other economic system, where demand dictates supply.

A company can simply make more stock certificates, if the value of the company goes up, or the company needs capital. Gold paper contracts can be created, more Gold mines can be found, more Gold can be mined, and Gold jewelry can be melted down, if Gold took off in value, flooding the market with supply.

Bitcoin doesn't have that option. Once the 21 Million Bitcoins are mined and sold, that's it. There are no "counterfeit" Bitcoins. It takes A LOT of work, and energy, to make a Bitcoin. This is a feature, not a flaw, in Bitcoin, making corrupting, or counterfeiting, Bitcoin next to impossible.

# WHAT IS WRONG WITH BITCOIN?

There is no such thing as a perfect economic system, or a perfect technology, but Bitcoin does make a nice run at the idea.

Problems for Bitcoin include a general lack of understanding, which Bitcoin University is working to remedy, at least the general understanding of what a Bitcoin is and can do for its users. If people don't understand what it is, and why they should use the new technology, it will not serve the greater public very well. So its steep learning curve is problematic.

Another broader issue is its direct, or indirect, competition with other financial instruments, leading to massive FUD entering the marketplace. Bitcoin can have a negative reputation in many places, not due to its performance, but a narrative woven by external forces. People in

banking, precious metals, equities and other assets may see Bitcoin entering a zero sum game. The more people invest in Bitcoin, the less they will invest in their instrument, which can hamper growth over time. So competition is another issue for Bitcoin.

Bitcoin's non-tangible nature is also a feature that is, literally, difficult to wrap your arms around. People tend to value things they can touch, hold, or use in a physical realm. Cars, homes, yachts, Gold coins, and land are examples of tangible financial instruments people are used to investing in. Even a stock or a bond could be held in ones hand. Bitcoin cannot, so a lack of a physical presence will also serve to slow its adoption, somewhat.

Being a digital asset, many are not tech-savvy, and may not want to be responsible for such a thing, themselves, which can lead many to seek a custodian to store Bitcoins for them. The flaw in this is possession is 10/10s of the law in Bitcoin.

Not your (Private) keys, not your Bitcoin. Bitcoin is a “bearer asset” meaning the bearer of this asset is now the owner.

So if you give your Bitcoin to your tech-savvy friend to hold (or HODL) for you, you must trust them not to run off with the Bitcoin. If I give \$100 to a stranger, what are the chances I get my \$100 back, at some point in the future? This is how you should look at handling a Bitcoin. Like digital cash, which is how Bitcoin is referred to in the original Bitcoin whitepaper.

A potential problem with Bitcoin is a problem not of Bitcoin, but of centralized systems that may hold Bitcoin. If you keep your Bitcoin on exchange, a major error on your part, a government or 3rd party can hack the exchange, as Bitcoin’s Blockchain has proven to be hack-proof, or strong-arm the exchange to hand over the Bitcoin, in a ransomware attack, or government action.

So, again, if security of Bitcoin is important, you need to control your keys, and HODL Bitcoin yourself. Exchanges can be fairly easy to compromise, if you are a government, or hacker.

A good Bitcoiner has only two jobs: Acquire Bitcoins and HODL Bitcoins. If you can do those two things, you will reap all the rewards of investing in the greatest invention of the 21st century.

I guess you can add a third job to the list: Understanding Bitcoin. You should not invest in what you don't understand. So Bitcoin University is here to help you with this very important part of the puzzle.

## WHAT PROBLEMS DOES BITCOIN SOLVE?

This is a really common question, and the answer depends on who is asking the question. If a macro-economist is asking it, a “Gold bug”, or the common retail investor, they all would need different answers, but let’s speak to “the average Joe.” For the average person, in Western culture, who doesn’t need a full-scale banking system, like someone in a Third World country, the primary value of Bitcoin will be as an investment.

Bitcoin’s ROI (Return on Investment) is virtually unparalleled. From 2010-2019, Bank of America Securities called Bitcoin “The Investment of the Decade” due to its 90000% ROI. In other words, if you had put \$1 USD into Bitcoin in 2010, that Bitcoin investment grew to \$90000 by the end of 2019. Nothing else came close to Bitcoin over that 10 year span.

Extending this point out even further, Bitcoin has grown 1248X over the 10-year period from 2013-2022. This is still, by far, #1 amongst any mainstream commodity or investment asset, with Tesla stock being 2nd, at about 90X over the same period. What does that mean? If you put \$100 into Bitcoin, at the start of 2013, you'd have about \$125,000 at the end of 2022.

Even during “The Plandemic”, only Tesla stock produced more investment value than Bitcoin, as Bitcoin went from \$9386 on February 1st, 2020 to almost \$23000 on August 1, 2022, a gain of 145%

This also underscores the fact that Bitcoin is a long-term investment. No one who has held Bitcoin for at least 4 years has lost investment value. They have always made money. That is a fact. The only people who lose money using Bitcoin are day traders, panic sellers, or people who literally lose a Bitcoin due to malfeasance.

The problems Bitcoin solve, as an investment, are the problems other investments face, mostly a lack of scarcity, or overproduction. If the housing market takes off, more “housing starts” are generated. If Gold rose to \$2000 an ounce, more Gold mines would be found, Gold would be mined, Gold paper contracts produced, and jewelry would be melted down. If a company needs cash, or their stock value takes off, more stock is produced. If the government needs more money to use, The Federal Reserve prints more money.

Bitcoin, and its underlying blockchain technology, do have the ability to handle much more than just currency and investment concerns.

You could use Bitcoin as stock options, security deposits, to end spam and bots on social media, instruments of notarization, distributed fair voting, and immutable documentation, like posting the Title to your home, or your marriage certificate, on The Blockchain.



As the great Andreas Antonopoulos once said: “Valuing Bitcoin based on its exchange rate is like valuing The Internet based on how many fax machines it replaces.” Bitcoin is much more than just a digital form of money. It proves the old adage “How you do some things is how you do everything.” Bitcoin proves you can do decentralized, global, trust-less transactions, without the need for banks or governments. There is a better way.

Bitcoin was NOT designed and built to be an investment for well-to-do Americans. Quite the opposite. It was invented to bring a trusted economic system to the unbanked. Chase shouldn't rule the world, and now you have an option.

Look at it another way. There are about 1 Billion people who have full economic access to banking, brokerage, investing, savings, and international exchange. 2 Billion have zero access to this kind of economic power. The rest of the planet

has limited access. Bitcoin is here to fill in those massive, global gaps in the market. In “The West”, it is just a cool investment product with incredibly highs and powerful lows. In the rest of the world, it has been the difference between life in death.

See Venezuela, who’s Bolivar currency inflation exceeded 1,000,000% in 2018, and where animals at the zoo were being killed for food. Bitcoin mining saved the lives of hundreds, if not thousands of Venezuelans, and allowed them to get gas, toilet paper and food, when many could not. Bitcoin isn’t here to make a buck. Bitcoin is here to give a fighting chance, to those in need.

At *FreeBitcoinLessons.com*, download “30 Ways Bitcoin Changes The Future of Money” for free. This book reveals all the problems Bitcoin was designed to solve, over and above being the world’s best investment vehicle, of the last 15 years.

# BITCOIN IS JUST AN ONLINE ‘PONZI SCHEME,’ RIGHT?

Well, if it were, it would have to be the greatest ‘Ponzi Scheme’ ever created, as famous corporations like AT&T and Microsoft accept Bitcoin as payment. Tesla bought over 40,000 Bitcoin in 2020, for \$1.5 Billion USD. And Bank of America didn’t call it a ‘ponzi scheme’, but “The Investment of the Decade.” These are all known criminal enterprises, who would have to be in on the scam, right? Ok....

In a ‘ponzi scheme’, or ‘pyramid scheme’, the structure would be an MLM, where previous owners get portions of all the new money invested. This does not happen in Bitcoin. If someone owns a lot of Bitcoin, they have no more say, get no kickbacks, and can make no changes to the protocol. Investing creates no additional power within Bitcoin.

If it did, then you'd have a 'ponzi scheme.'  
Can we agree on that much? If you don't get a kickback, gain more control as you invest more, or gain more control based upon when you entered, then you aren't running a MLM, 'pyramid scheme,' nor a 'ponzi scheme.'

In Bitcoin, it operates more like a tech stock, just a tech stock where more shares cannot be printed up, at will, if business is very good, or very bad, to stuff the corporate coffers, because there are no corporate coffers.

There's no corporation, no CEO, no VCs, no pre-mines, no Board of Directors, no mailing address, and no accountability to the shareholders, no quarterly dividend reports, and no corporate headquarters. Bitcoin is quite simply the "Internet of Money." You either own shares in it, or not.

All “Cryptos” cannot say the same. National fiat currencies can’t say the same. Many exchanges in this space can’t say the same. I’ll leave it at that.

The point here is Bitcoin’s economic system is so novel, so clean, and so honest, that it seems like a con, given how long we have all been in such a corrupt economic environment. Honesty has become so foreign, it becomes the modern lie, no one believes.

If you are open-source and decentralized, you have nothing to hide, because you are living a life of integrity. If you are doing deals behind closed doors, in a closed-loop environment, blockchain, or not, you are the one who should have some explaining to do. Not the one with open books

# IS BITCOIN ANONYMOUS?

No. Bitcoin is not anonymous.

Bitcoin is, in effect, pseudonymous, as your entries into the Bitcoin Blockchain would not be represented by your government name, but by your private key, which is a large, alphanumeric code.

A common refrain by those who don't understand Bitcoin is that it is used for criminal activity, money laundering, etc.. This would be rather foolish, since Bitcoin is an open-source platform, with data mining companies like Chainalytics snooping around to find as much detail as they can about chosen transactions. Bitcoin's accounting is designed to be public, not private, so criminals rarely use Bitcoin, for obvious reasons.

No, this narrative that Bitcoin is anonymous, or a den of thieves definitely falls under the category of FUD (Fear, Uncertainty, Doubt) put out

either by those who don't understand Bitcoin, or those who do understand it, and want the proletariat to stay away from it. Either way, this is fake news.

# WHAT IS A BITCOIN NODE?

A Bitcoin Node is a computer owned by someone, that validates the transactions on the Bitcoin Blockchain.

Nodes provide checks and balances to the Bitcoin protocol. When miners submit a block to the blockchain, and believe they have found the answer to the network's algorithmic question, the node must verify this information. Not just one node, but all the nodes, which stands at well over 10,000, must verify the information added to the blockchain, and verify each other's work for errors, and then update the Bitcoin Blockchain, and "full nodes" maintain a full record of the entire Bitcoin Blockchain, dating back to "The Genesis Block" (The first mined block in January, 2009.)

Where are the nodes? The nodes are everywhere, quite decentralized, just like Bitcoin is. This is also essential for the security of the network.



If you put all the nodes in the same place, a building somewhere, then the nodes can be attacked, destroyed, co-opted, captured, etc.. There are Bitcoin nodes, with Bitcoin's Blockchain, floating on satellites, in outer space.

# IF BITCOINS CAN'T BE TAKEN, ONLY GIVEN, THEN HOW DO PEOPLE LOSE ALL THEIR BITCOINS?

The primary way people lose Bitcoins is by losing their seed words, or access to the account.

Maybe you have made the mistake of entrusting your Bitcoins to a third party, who allows access online through a password. What if you lose your password? Who says they can, or would, provide you with a way to replace the password? This would be the worse way to store a Bitcoin.

Hardware wallets, like a Trezor, have passwords, too, but they also come with a 12-24 “seed words” which serve as a backup system, a hotline, straight to the Blockchain. You don't necessarily have to go through your wallet provider to gain access to your Bitcoins, once you have your seed words.

There are many famous stories of early Bitcoin miners who “mined” thousands of Bitcoins, from when they were worth pennies, but they tossed the laptop away, and they search a landfill for it. It is estimated that as many as 4 million, of the 21 million total Bitcoins, are simply “lost.”

Other common ways to lose a Bitcoin are email “phishing” scams, where crooks deceive owners with the “Send us 1 BTC and we’ll send you two!” scam.

If you use the same IP address, or the same public key address for multiple transactions, this may become a weakness for key loggers, hackers and others who can focus their efforts on your computer, account and other data points.

We can’t forget the largest culprit of Bitcoin loss: Exchanges

The Mt. Gox collapse cost users around 800,000 Bitcoins, of which some, not all, were recovered. Bitcoin/Crypto Exchanges collapse, just like banks like Lehman Brothers and Washington Mutual go under.

The difference is there is no FDIC within Bitcoin, so you are in charge, and responsible, for all Bitcoin gains, and losses of your assets. This is why you should NEVER leave your Bitcoins on an exchange. Not your keys, not your Bitcoins. That is Rule #1 in Bitcoin. Just Hold your Bitcoin.

Investing in Bitcoin is not without risks, of the market gains or losses, and the security you must be responsible for. If you thrive, or fall, it's all on you. You are taking a risk 9 out of 10 never would, so you can prosper at a level few ever will.

# IS BITCOIN ILLEGAL?

In the United States, and most nations, Bitcoin is legal to own, or not implicitly illegal to hold. Countries around the world are still struggling with whether Bitcoin is safe, or legal, to use in the buying and selling of goods and services.

Russia has banned Bitcoin use, but has flipped on that more than once, for buying and selling. China has banned Bitcoin mining. There are several nations that have banned Bitcoin, or “cryptocurrency” entirely, including Algeria, Bangladesh, China, Egypt, Iraq, Morocco, Nepal, Qatar and Tunisia. Tunisia is interesting because they were one of the first countries to place their national currency on a blockchain system, which wouldn’t have been possible without Bitcoin.

In the United States, which generally leads the world forward on a regulatory front, Bitcoin is legal, but can be taxed when used as a currency,

making Bitcoin less of a threat to the U.S. Dollar, which is a currency.

Bitcoin is a digital “Property” in American tax code, so it is taxed, upon sale. Many U.S. politicians accept Bitcoin for donations, and champion Bitcoin use. And the U.S. Government has referred to Bitcoin as money, or a form of payment, on more than one occasion.

In Japan, it has been legal to sue Bitcoin as a form of payment since 2017. You can pay the government’s taxes in Bitcoin. Funny thing about Bitcoin, in Japan.

Mt. Gox was the largest Bitcoin exchange, really the world’s first major Bitcoin exchange, in 2013, and Mt. Gox was based in Japan, so the Japanese knew about Mt. Gox. Mt. Gox got to be so big, that when it collapsed early in 2015, the Japanese thought Bitcoin itself was gone, because Mt. Gox was gone. Mt. Gox, for many, was Bitcoin. So, Japan was a very early adopter of Bitcoin

And Brazil, late in 2022, is in the process of approving Bitcoin as a legal form of payment, nationwide. Mark my words, in the future, there will be a Bitcoin caste system, meaning there will be two kinds of nations, companies and people. Those who have Bitcoin, and those who don't.

You don't want to be one of the "Have nots." Bitcoin value have literally no limits, and once the available supply dries up, before the end of the decade, the price of Bitcoin will explode.

## HOW IS BITCOIN PRICE DETERMINED?

This is a tough one, as Bitcoin is largely market-driven, based upon supply and demand at any given time, but is not always applicable to all Bitcoins and all transactions.

You see, there are these things known as OTC, or Over The Counter transactions, that is where large Bitcoin transactions generally take place, and these aren't done through common exchanges, where much of the market pricing is determined.

So, in effect, there can be a known market price, for you and I, and a slightly different price for “whales” using OTC, who don't want their transactions broadcasted publicly, for a variety of reasons. Think of it as a wholesale price, versus a retail price.



Some whales do move their Bitcoins in a very public manner, and this can affect the entire market price by several hundred dollars. Maybe they don't know how to go OTC, or don't have access, at a given time. Others may use OTC, exclusively.

What we do know is Bitcoin is less subject to market manipulation than the price rigging taking place in Gold & Silver.

Look up "Gold Market Rigging" or "Silver price fixing" and you will see that market manipulation in precious metals is as old as the hills. Nothing happens. No one goes to jail, and the fines are a slap on the wrists.

Bitcoin doesn't have that problem because of its open-source nature, so you can't rug the market so easily, behind closed doors. And most of the Bitcoin is not held in banks, but by private individuals, like you and me.

There is one threat that cannot be underestimated, and that is the millions of Bitcoins held in exchanges. These centralized companies can undermine Bitcoin by collapsing due to embezzlement, being co-opted by bad actors, or turning into the next FTX.

Bitcoin is secure, but exchanges that hold Bitcoin are not. It is up to the Bitcoin user to secure any and all Bitcoins. Exchanges have proven to be the weakest link in the Bitcoin ecosystem, and should be handled, accordingly. Exchanges are not banks! Just HODL your own Bitcoin, once your exchange transaction is over, and everything will be alright.

# WHAT CAN I DO WITH A BITCOIN?

I like to call Bitcoin “The Currency of Freedom” because anyone who holds a full Bitcoin, or just some Sats, now knows the difference of being free from the tyranny of banks and others who seek to control your money, at scale.

You can hold, or HODL, a Bitcoin, and use it as a globally-powered savings account. You can donate Bitcoin to your favorite content provider or website that accepts Bitcoin.

You can add messages to a Bitcoin transaction, which will be forged into the Bitcoin Blockchain forever. Satoshi Nakamoto posted a message on The Blockchain within his Genesis Block, stating ““Chancellor on brink of second bailout for banks.” This led many to believe Satoshi was British, and Bitcoin was started in the U.K. as this referenced an article in their largest daily.

Many people have been married on The Bitcoin Blockchain. Unlike Gold, you can borrow against Bitcoin, so you don't have to sell it to extract value from it, over time.

With upgrades like Taproot, you can establish “smart contracts” with Bitcoin, where you can have business transactions happen automatically, when terms and conditions are met.

Being a digital app, that updates in real-time, and has BIPs, or Bitcoin Improvement Proposals, happening all the time, the question isn't what can you do, but what can't you do with Bitcoin?

Again, at [FreeBitcoinLessons.com](https://FreeBitcoinLessons.com), download “30 Ways Bitcoin Changes The Future of Money” for more information.

## DO I NEED AN EXCHANGE TO GET BITCOIN?

No, no you don't. It's simply a matter of convenience.

You can buy Bitcoins from an individual. LocalBitcoins.com was made famous for doing this. Early on in Bitcoin, people would use their platform to trade Bitcoin for currencies, or arrange to meet to trade on their phones. Depending upon when and where you are, and the rating of the buyer and seller, this could be less than safe. I can't vouch for how well LocalBitcoins.com works at this time.

Sending Bitcoins, on a Zoom call, using QR Codes works well. Meeting someone who has a mobile wallet on their smartphone works.

There are now decentralized exchanges, like Bisq, you can use, if the majors don't appeal to you, due to their need, or requirement, for your personal information due to KYC/AML regulations.

Best practices are to never sell your Bitcoins, or really buy Bitcoins, based on an email relationship. These are almost exclusively scams. You must do your due diligence with any Bitcoin trade because Bitcoin is also known as “hard money.” Once the Bitcoin is given, it can’t be taken back. So if you must give it to others, do so responsibly. Don’t live in a life of regret.

# SHOULD I BUY BITCOIN OR GOLD?

Bitcoin, of course. Inside of Bitcoin University's *Bitcoin Owners Manual*, I do a deep dive into the many reasons Bitcoin is a superior investment to Gold. Here's why.

Gold is the global standard for being a valuable investment asset, but what if something was designed to be better than Gold, in every single way? That is where Bitcoin comes in.

Gold is valuable, but Bitcoin has proven to be more valuable, due to its scarcity. Gold is heavy and difficult to move easily, from place to place. Bitcoin moves at the speed of light. You need a brokerage account, or 3rd party, to buy Gold, and usually to store Gold. Bitcoin can be privately held, and you can buy Bitcoin directly.

There are fake Gold coins and Gold bars. Gold scams are legion. There are no fake or

counterfeit Bitcoins. The only Bitcoin scam is someone asking you to send them Bitcoins. Gold has been one of the worst investments over the last decade. Bitcoin has been simply the best, since its invention. Bitcoin is proven over time to be superior to Gold as an investment, and in the real-world.

- Gold was the best investment of the 19th century
- Real estate was the best investment of the 20th century
- Bitcoin is the best investment of the 21st century.
- You know what they say: *“It pays to buy the best!”*



## ISN'T BITCOIN BAD FOR THE ENVIRONMENT?

Yes, I'm sure you did hear that. You just didn't hear that from anyone who owns Bitcoin, or has used Bitcoin, or has created, or "mined", a Bitcoin. There's a reason why you've heard this fake news. Pretty much every other form of FUD has failed to stick to Bitcoin, so this one has been pushed the hardest because it's the hardest to disprove, but it is still fake news.

As with most pieces of fake news, there is a kernel of truth, following by an avalanche of lies. To the point where Bitcoin is not only not bad for the environment, but is great for the environment! Let me explain.

The kernel of truth in this FUD is that Bitcoin uses a lot of energy. This is a feature, not a flaw, in Bitcoin. You need to use a lot of energy to power, and secure, Bitcoin, or else it would be easily toppled by a government, a corporation, a hacker, etc.. Bitcoin needs a buffer against attack.

Now, this is where the story falls apart. Who is telling you this? Is it a talking head on television, paid to tell you whatever is on the teleprompter? Why would you believe the mainstream media? Is CNN really looking out for your best interests?

Would a Bitcoin miner know a little bit more about Bitcoin's energy requirements than your local bought-and-paid-for anchorman? I think so, as they have to build buildings, secure political capital, investment capital, buy computers, select locations with large energy resources, and compete with every other miner on Earth, which run into the millions.

There is a group that controls more than half of the Bitcoin's hash rate and it's called the Bitcoin Mining Council. Obviously, they are the largest Bitcoin mining coalition known to man, and they have quarterly reports showing the amount of energy used and supplied. Visit <https://bitcoinminingcouncil.com> for details.

They report that Bitcoin only uses 0.16% of the world's energy, but over 59% of the energy used comes from green, renewable energy sources. This far exceeds any nation, bank or other asset production, by a wide margin. The United States sits at around 21% renewable energy usage, to give you some context.

Bitcoin uses about as much energy as all the world's Christmas lights, during the holiday season. Now compare Bitcoin to a large multi-national bank, for example. How much energy do they use for ATMs around the world, trucks to move money, people driving to work, offices, computers, paper production, security, etc..

There is no comparison who is greener, Bitcoin or your current bank. Then, stack all the world's banks on top of your bank, and compare it to Bitcoin. And how much green energy do they use? Less than 10%. Yet, no one mentions their energy consumption, much less their lack of

renewable energy usage. I wonder why? A lot of these FUD attacks come from centralized banking, who feel threatened by Bitcoin, so they want to slow adoption. Makes sense, doesn't it?

*'Well, with all the miners out there, Bitcoin mining must create a lot of emissions?'*

Not really, no. The Bitcoin Mining Council, reports that the world uses 34.8 BMT in global Co2 emissions related to the electric grid. Bitcoin global CO2 production comes in at 0.04, or 0.10% of the world's CO2.

About 2/3 of the energy made on this planet ends up being "waste" energy that goes unused, including wind, solar, methane, hydro and even volcanic. This energy, when harnessed, can be very inexpensive to use, and this seems to be the use case for Bitcoin miners. If they had to pay 13 cents per kWh, like you and I do, they'd be out of business! They pay about 2 cents for raw, green

energy. Again, energy that is normally wasted. I wonder why you don't hear that on The Evening News?

When you hear FUD about Bitcoin, first things first, consider the source. If they are a known fake news peddler, have never owned a Bitcoin, used a Bitcoin or mined a Bitcoin, don't take them as Bitcoin experts. They are telling you what they want you to know, not what you need to know. That's my job.

As New York Mayor Ed Koch used to say, "How am I doing?"

# IS BITCOIN A BUBBLE?

This also comes up, from time to time, especially when times in Bitcoin are good. This is, in my opinion, the most credible argument, but still futile and fairly meaningless.

Bitcoin operates most like a tech stock, and it does have peaks and valleys, bull runs and bear markets. This should be expected, not feared. Actually, this works largely in your favor, if you are an educated investor, which is what Bitcoin University is all about making you.

Bitcoin moves in 4-year cycles and the halving events are key to these market cycles. Two years out from a halving, Bitcoin market price hits its lowest point. One year after a halving event, bitcoin hits its highest price point. Until further notice, these are predictable market trends, and this cycles has happened three times in a row. If you are

reading this in 2023, this works in your favor, given the bear market for Bitcoin was the year 2022, and another bear market isn't expected until 2026.

# WHAT ARE THE BEST WAYS TO PROTECT YOUR BITCOIN?

## 1. Get your Bitcoins off an exchange!

Exchanges are not banks! You do not have FDIC Insurance, any insurance, in a Bitcoin exchange, so once your trade is over, keep it moving, into a hardware wallet where you control the keys.

## 2. Use a Hardware Wallet

“Hot wallets” are wallets directly tying your keys to The Internet, so these wallets are subject to a hack, either from within the platform or externally, if the platform is very popular, and holds a lot of Bitcoin. use an external wallet, like Trezor, and take your keys off The Internet, and keeps them in your control.

## 3. Don't fall for phishing scams



Anyone asking you to send them Bitcoin is your mortal enemy. Report them to the authorities, if possible. They are making the Bitcoin community look bad with their criminality.

#### 4. Multi-Signature Protection

If you don't like the idea of bearing all the responsibility for your Bitcoin, multi-signature wallets require multiple people to sign into a wallet, to move Bitcoin. This vastly improves security. Unchained Capital can help you here.

# WHERE IS BITCOIN USED THE MOST?

Bitcoin has curried favor in many of the world's largest economies, with the United States leading the way, being the hash rate, or computing power, leader and with surveys estimating 1 in 12 people have Bitcoin, or have held Bitcoin.

Japan is also very impressed with Bitcoin, leading their government to consider Bitcoin good for payment. You can pay your rent, utilities or taxes in Bitcoin in the great nation of Japan. According to Coinhills, over 7% of the world's Bitcoin transactions are exchanged through the Japanese yen.

Next would be South Korea, another technologically advanced nation, with almost 7% exchange through the Korean Won. In the E.U., many nodes reside, and in France, many people are paid their salary in Bitcoin.

And two nations, as of 2022, have made Bitcoin “legal tender.” El Salvador (3 million Bitcoin wallet users, or half the population) and the Central African Republic (5 million people.)

# HOW MANY BITCOINS ARE THERE?

People like to say there are, mined and unmined, a total of 21 Million Bitcoin, but to be as accurate as possible, the supply will approach, but never reach, 21 million. Issuance of Bitcoin will end in the year 2140, at the amount of 20,999,999.9769. So, for convenience, let's round it up to 21 Million.

Let's also take into account the first million or so Bitcoin are held in Satoshi's original account, so there are really only 20 million that have been available, once others, like Hal Finney, started mining and running Bitcoin.

And it is estimated that as many as 4 million Bitcoin are unavailable or "Lost" due to computers thrown away, log-in credentials lost or forgotten, or other episodes of misfortune. So the effective supply is around 16 million Bitcoin. As of this writing, over 19 million BTC have been mined, and

over 11 million are in some form of “cold storage,” or in a wallet where the Bitcoin hasn’t moved in over a year. Just over 2 million are currently held in exchanges around the world. (Never leave your Bitcoin in an exchange!)

## WHY WOULD A BUSINESS USE BITCOIN?

If you are a common retail, POS business, Bitcoin does add value, in a few ways, at least as an alternative form of payment.

First, it will attract a new, younger clientele, as Bitcoin's most ardent demographic of support is 18-34 year olds, and what retail business isn't interested in gaining the long-term value of a young adult consumer. They use digital currencies, and social media, so if you build a following with this key demographic, this can have a viral effect on your bottom line.

Second, it improves the overall brand appeal and profile of your business. You are on the cutting edge, you are forward-thinking, progressive, and have plans for your economic future. Accepting Bitcoin adds value to your business as being on the cutting edge of technology.

Third, especially if you use a Lightning-enabled wallet program, like Twitter has done, you can receive payments instantly, faster than a standard merchant account, and not have to worry about chargebacks. Visa, for example, can chargeback a purchase 18 months into the future.

Fourth, anyone who sells a good or service has a way to collect Bitcoin, without having to learn how Bitcoin changes work, or worry about custodial issues in that realm. Selling a good or service is the fastest way to enter the Bitcoin ecosystem. That's how I got started, in 2013, selling my writing services for BTC.

And one more reason is Bitcoin lowers the costs of doing business, especially on purchases below \$5. Merchant accounts charge 2-5% on card transactions, but Bitcoin doesn't have a fee. Any sales below \$1-2 are commonly losses for a business, due to merchant accounts charges.

Your Bitcoin processing company can take a portion, or all, of your Bitcoin purchases and convert them to cash in your account, at the close of the day's business. They may charge a percentage of the monthly receipts, or a monthly service charge, but is usually much less expensive than standard merchant accounts, subject to negotiation.

Accepting Bitcoin is something a business owners should actively promote in their branding, social media and advertising, to get the most out of it. Let the world know that you have entered The Future of Money, Bitcoin.



# WHAT IS A CENTRAL BANK DIGITAL CURRENCY (CBDC) AND HOW IS IT DIFFERENT THAN BITCOIN?

Quietly, this may be the most important question to have answered in this book, and it has little to do with Bitcoin. As an adult in the 21st century, you MUST understand this concept, whether you utilize Bitcoin or not, because they are related, but like your in-laws are related to you.

Obviously, there was never a discussion of CBDCs before Bitcoin. There is a reason for that. CBDCs utilize a version of the innovative technology Bitcoin created and pioneered. If CBDCs were invented in 2009, and Bitcoin was coming to fruition in 2025 or so, Bitcoin would never have reached the heights it has. The “powers that be” would’ve made sure there was no competition for their CBDCs.

Given that Bitcoin created the innovations CBDCs need, it will be difficult, but not impossible, for government regulators to thwart an established Bitcoin user base, in favor of a heavily regulated and controlled CBDC economic system. China has done this, banning Bitcoin mining and usage in 2021, but that's totalitarian. Harder to pull off, in a "Free" Western society.

So, what is a CBDC (Central Bank Digital Currency) and what differentiates it from Bitcoin? Well, they both operate on a blockchain operating system, in theory, and they both move digitally, not in a physical manner. That is going to be pretty much where the similarities end. A CBDC would basically take all the benefits of Bitcoin, an open-sourced, borderless, permission-less, censorship-resistant, transparent economic system and reverse every benefit to the user to a benefit for "The State."

A CBDC, which is being studied and is going through trials in most every G20 nation on Earth,

would be designed to limit usage to national citizens, and the central bank of the given nation. (Bitcoin is global, borderless, in comparison.) The blockchain network would be a closed-loop, meaning the transactions, the machinations, the ledger would be managed and visible only to the creators of the network, theoretically the banks and government Departments of Finance.

In Bitcoin, the open-sourced nature reveals all the transaction data, the balances of all participants, using codes, without user personal information, and the structure can be used as a template for other systems, like CBDCs, or a blockchain for a business. Bitcoin also features BIPs, of Bitcoin Improvement Proposals, when a coder or developer sees a flaw, or an optimization, that can be addressed and added to the network.

This would not apply to a closed-loop blockchain network. The user would have no influence over making the system better, for users.

The bank or government body would do that, internally, making the system better for “The State.” This system would be optimized for the producer, not the consumer.

Also the CBDC is a currency, by name, and this is not a small distinction. Bitcoin, by regulation, is a digital “property” as per the U.S. IRS Tax Code, since 2014. It cannot be a currency, as its use is taxed, upon sale. Any CBDC would not face a tax when used.

And the rampant inflation we have seen through “The Plandemic” would not abate within a CBDC. In fact, it could be infinite in nature, as there is virtually no costs associated in making a currency of infinite supply. Just adjust the code to suit your needs, the needs of the government, not the governed, anyway. Bitcoin is limited to just a hair under 21 Million Bitcoins, and the code for this supply cannot be changed with global consensus of 95% of the network, a virtual impossibility.

One more interesting feature of the CBDC will be the concept of a form of money with an expiration date. If you were to receive a CBDC, in 2025, for example, as salary for the work that you do every day, your CBDC token could expire 1-2 years after date of issuance.

Why? Your employer, operating in Country X, would be subject to the rules and regulations of the financial division of government, and the government requires all money get spent, not saved. Why? How does it serve the government, for you to save money? It serves the government best that you spend you money, AKA “Boosting the economy.”

You see, if you are not spending their money, AKA what you think is your money, you are being a bad citizen, by not doing your part to boost GDP, generate sales tax by making purchases, generate income tax businesses have to pay next year. You’re not being a good pawn in this digital game of chess.

So you WILL spend their new digital money, or you will lose it. You will not empower yourself, by saving it, indefinitely. It's not your money. Bitcoin, not CBDCs, is your money. You will learn the difference, one way, or another.

*“This is Chess, not checkers!”*

- Denzel Washington in “Training Day”

So how will these two clearly opposing systems, one consumer-based, and one government bank-centric, work, going forward. The U.S. Government could follow the Chinese playbook, and ban Bitcoin, in theory, but the optics couldn't be worse, taking leadership from a totalitarian regime, in a supposed “Free society.” Hard to pull off, but again, not impossible. I'm sure this is being discussed, in government departments. How to take your economic power without you noticing?

The most common method, in history, is to try and discredit Bitcoin, in some form or fashion.

The collapse of the FTX exchange, for example, many in the community believe was set up with "useful idiots," like Sam Bankman-Fried (SBF) to undermine the safety, security and value of using Bitcoin, at scale.

The amount of malfeasance in the management of FTX may lead a thinking man to believe that this was a set up, from the beginning. Bitcoin was not really the strength of FTX's business model. It was known more as a "Crypto Casino" than a Bitcoin stronghold. SBF was never a fan of Bitcoin, also sowing seeds of doubt about his veracity as a business leader in the community, operating in the community's best interest.

How I think this will play out, in the years to come, is 95% of the shitcoins will be regulated out of society, which is a great thing, due to their being unregulated securities, thereby passing "The Howie Test," and having no value other than to the developers who print themselves tokens, and then

distribute the rest to the masses. If this alone would come to pass, Bitcoin would be infinitely better off, the culling of “Crypto.”

In the end, there should be Bitcoin, the hardest to remove, as a true invention, Ethereum will probably be grandfathered in, because it can be co-opted by a national government, in its entirety, or as a true template for future CBDCs, and other blockchains for business. And you will have the “stablecoins,” which are fully finished digital currencies, pegged to the U.S. Dollar, but will probably end up in the hands of the centralized banking system, as a turnkey currency system.

I guess what I’m saying is Bitcoin will not be banned by the government, due to many legal constructs in the United States today, including use cases like religious tithing and donation, being used as “freedom of expression,” which is effectively what money is. Bitcoin has proven that it is a form of money, and Bitcoin’s ability to become a “Global reserve asset” in the future.



# WHAT DOES AI THINK ABOUT BITCOIN?



Tell me the story of bitcoin



The world was in a state of chaos. Governments and central banks had lost control of the economy, and inflation was skyrocketing. People were losing faith in their national currencies and were looking for a safe haven to protect their wealth.

That's when a mysterious figure known only as Satoshi Nakamoto appeared on the scene. With his groundbreaking invention, he offered the world a new hope: a decentralized digital currency called Bitcoin.

At first, many people were skeptical. They didn't understand how a digital currency could be a safe and reliable store of value. But Satoshi knew that by using complex cryptography and a decentralized network, he could create a currency that was immune to the manipulations of governments and banks.

Slowly but surely, people began to see the beauty and power of Bitcoin. They could hold and transfer their wealth without fear of inflation or confiscation. They could make transactions without the need for banks or credit card companies. And they could do all of this securely and anonymously, without revealing their personal information.

As the years passed, more and more people adopted Bitcoin and the network grew stronger and more resilient. It became a force to be reckoned with, and governments and banks began to take notice.

But even as Bitcoin gained mainstream acceptance, it never lost its original mystery and beauty. It remained a powerful and enigmatic symbol of freedom and innovation, a reminder that even in the darkest times, the human spirit can create something truly remarkable.

# WHAT BENEFITS DOES BITCOIN HAVE OVER US DOLLAR?

- Bitcoin doesn't have any debt, unlike the US Dollar
- Bitcoin value grows based on supply & demand
- Bitcoin can't have 20% inflation a year
- Bitcoin cannot be taken, only given
- Bitcoin doesn't require a third-party banking system
- Bitcoin has a open, public blockchain ledger, accounting for every Bitcoin & transaction ever produced, unlike the US Dollar
- Bitcoin cannot be counterfeited, unlike the US Dollar
- Bitcoin doesn't have a history of losing purchasing power, every single every year
- Bitcoin moves from your computer, or phone, at the speed of light, unlike the U.S. Dollar.

- Bitcoin can be sent anywhere for less than a penny, unlike the US Dollar
- Bitcoin has no centralized terms of service, so a bank of government cannot stop you from using it as you wish.
- Bitcoin has a whitepaper, giving it a mission statement, a creed it must live up to, unlike the US Dollar.
- Bitcoin doesn't have a history of being the currency used for more crime than any currency ever, like the US Dollar.

# WHAT DOES BITCOIN'S “PROOF OF WORK” MEAN?

Let's keep in mind that this is a book for Bitcoin newbies, not crusty Bitcoin veterans, so this will be a very base explanation. No digital deep dives today.

In the digital economic space, I don't allow the term “Crypto” to include Bitcoin, there are two paths you can take in the creation of a token, “Proof of Work”, the original path, set by Bitcoin, and “Proof of Stake”, made famous by Ethereum, the world's largest shitcoin. They generally take you in opposite directions.

“Proof of Work” operates as the name implies. You must compete to complete an algorithmic equation, against every other Bitcoin miner on Earth. You have approximately 10 minutes to solve the equation, with “Difficulty”

adjustments, as needed. Once solved, the miner creates a block full of transactions, and the Bitcoin nodes, of which I am one, verify the solution and block. Once verified, this blockchain update is propagated throughout all the network of nodes, as they all check each other's work, otherwise known as "consensus", the blockchain is updated. So you have competition, checks and balances, and work. Proof of Work.

The true value of Bitcoin running a "Proof of Work" system is decentralization. It is not designed to empower any particular group, within Bitcoin. It takes a lot of energy to "mine" Bitcoin, and that's a feature, not a flaw. If it were easy to "mine" Bitcoin, then any bad actor could do it, compromising the integrity of the network, and devaluing all Bitcoins.

With "Proof of Work" having more Bitcoin doesn't give you more power over the network, or other Bitcoiners. This effectively empowers ALL users, including people new to Bitcoin. And with

“Proof of Work”, this also precludes any pre-mines, since you didn’t work the protocol to earn any reward. So Satoshi Nakamoto didn’t get any Bitcoin until he mined them.

“Proof of Work” ensures Bitcoin stays decentralized, secure and impervious to external attacks. That is why it has worked flawlessly, since 2009, with hackers, bad actors and many mainstream interests trying to destroy or corrupt Bitcoin, for its entire life. Bitcoin remains, as strong and secure as it ever was.

# WHAT DO WE KNOW ABOUT BITCOIN FOUNDER SATOSHI NAKAMOTO?

Well, we don't know if this pseudonym represents a man, woman, group of people or company. We do know that he chose "Proof of Work" over "Proof of Stake." We know he was Bitcoin's first miner, mining about 980,000, the first 980,000 Bitcoins. He took no "pre-mine" reward, according to blockchain records.

This does reveal that, early on, Bitcoin was "centralized", as Bitcoin was basically the journey of one man, or group, or company, to launch this protocol. As more miners, nodes, developers, exchanges and users entered Bitcoin, creating a "Network Effect", Bitcoin became decentralized, over time.

We also know that the wallet of Satoshi Nakamoto and his million or so Bitcoin has not

been used, so this was not a money-making venture, unlike other digital economic networks, where devs and founders have “cashed out.”

We haven’t even heard from Satoshi since April 26, 2011, when he said: *“Make it about the open-source project, and give more credit to your contributors; it helps motivate them.”*

*Many believe this is his Bitcoin address: 1A1zP1eP5QGefi2DMPTfTL5SLmv7DivfNa.* This was the very first “Genesis Block” where the original Bitcoin mining reward was sent to, so many people have sent small bits of Bitcoin gratitude to this address. I can’t confirm, or deny, this is a way to donate to Satoshi.

We know he penned the original “Bitcoin Whitepaper”, called “Bitcoin: A Peer-to-Peer Electronic Cash System”, a mission statement for Bitcoin, on October 31, 2008. Between then and Bitcoin’s launch, January 3rd, 2009, anyone could



have started using the Bitcoin protocol, but no one did.

And we know that Satoshi's Bitcoin invention solved previous problems like The Byzantine General's Problem and potential double-spending issues, cryptographically removing humans from the equation, to remove fraud from the network.

We know there are no counterfeit Bitcoins, the system hasn't had any downtime worth speaking of, and the network is so robust, and open, that a coordinated attack, like 51% would be near impossible to pull off without the world knowing what's going on. We know that there are no secrets in Bitcoin, unlike other economic systems. That's the whole point!

# WHAT IS ONE FEATURE BITCOIN HAS NO ONE TALKS ABOUT?

Remittances. Send money to family, overseas, which is a international business that runs in the hundreds of billions of dollars. That is maybe Bitcoin's best party trick.

The remittances market is largely controlled by Western Union, the world's leading retail monetary transfer system, since the 1860's. You send money, usually for a fee of \$10, to most countries in the world, up to about \$500 USD. Takes about 1-2 hours to send and have the money received, after getting to the store, standing on line, presenting ID, and them approving the transaction.

This has worked well enough, but there are major flaws in the system. They don't approve all transactions, and don't even have to tell you why they won't approve a transaction. I've had this

happen to me when I was overseas, and I got no answers, and it took a week to find a way to send money to family, by eventually using a bank wire. Thousands of transactions are stopped a day.

Western Union is fairly expensive, the customer service is poor, and it's not available, in all areas, at all times. You may need to go to the next town to find an agent. Far from flawless.

So Bitcoin fixes many of these issues. You do your part, set up a wallet for the payor and the payee, and Bitcoin will send money for you instantly, from any internet connection, or your phone, have it confirmed in 10 minutes, instead of 2 hours, and the costs drop from \$10 to 10 cents. And no one can stop you from sending money to your family, at any time you like.

When you cut out the middleman (Banks, governments, 3rd parties), life gets better, and cheaper.

# HOW DID BITCOIN FIGHT TYRANNY IN CANADA?

The tyranny by Justin Trudeau and the Canadian government on Canadian truckers was another incredible real-world advertisement of the benefits of owning Bitcoin. Canadian truckers got into their protest without a “Plan B(itcoin)”.

Governments always have an ace up their sleeve, and that’s the ability to attack a foreign government, business, or individual by cutting them off from their economic cable of banks and economic systems they control, using corporations like GoFundMe and PayPal as their personal financial hitmen. These companies may have been strong-armed by the Canadian government into cutting off funding to the truckers, after receiving millions in donations, from around the world.

The truckers protest was about oppressive COVID restrictions for truckers going to and from the U.S. for work. Trudeau ordered mandatory quarantines and vaccines mandates. The truckers protested by stopping work to park their trucks at the Ottawa state capital and various downtown streets, marshaling public support there. Police battles and arrests ensue.

Protests increase into Toronto, as Ottawa declares a “State of Emergency”. Major bridges are blocked by trucks in Windsor, Ontario, disrupting vital trade between the U.S. and Canada. Canadian Judge back government and allows arrests of truckers. Trudeau enacts “Emergency Powers”

After PayPal, GoFundMe and other accounts were cut off from the truckers, holding millions of dollars of donations, the Bitcoin community generated over \$1 Million in donations. Bitcoiner @NobodyCaribou, managed to get the Bitcoin divided and disbursed to truckers on the ground.

The Trudeau tyranny got so bad, they went to the police to go after the CEO of Bitcoin exchanges Kraken and Coinbase for showing support for Canadian truckers' civil liberties in tweets.

The protest ended in February, 2021, but the moral of the story is the Bitcoin community proved generous, resilient and altruistic, just like the protocol has over its adolescent lifetime. Bitcoin can help anyone who is looking for help from oppression, tyranny, poverty, or just a lack of access to banks, infrastructure of funding for their business or enterprise.

Kudos to all of those who invested their hard-earned Bitcoins for the freedom of the Canadian truckers. This government action, and Bitcoin's learning technology and community will only make Bitcoin transfers faster, more efficient and better in the future. Bitcoin didn't create problems. It offered real-world solutions, to people in need

# WHY SHOULD I TRUST BITCOIN?

This is a good question. I'll cover this two ways, with Bitcoin's built-in security measures, and comparing it against the other economic standards we use today.

Don't gloss over the fact that Bitcoin has been in service for almost 15 years, with no counterfeit Bitcoin, no hacks of the Blockchain, in an era where virtually every business, government and computer system has been compromised. corporations like Microsoft and AT&T have used and accepted Bitcoin for years.

Bitcoin has been vetted, for almost 15 years, by coders, IT professionals and developers far smarter than any of us as to its efficacy, and it is an open-source platform, where every transaction has been cataloged, verified and transmitted, perfectly. With a world of investors and technical geniuses watching this fishbowl every second, of every day.

The point is Bitcoin isn't going anywhere. It is an invention, that cannot be uninvented. Just like we will never forget how to forge steel, or make a fire, or build an automobile. No one has the technical skill, nor computing power, to bring Bitcoin down.

Comparing Bitcoin's integrity to other financial instruments may bring the message home much better.

You trust the U.S. Dollar, right? The Federal Reserve isn't a part of the U.S. Government. You don't know how many U.S. Dollars there are here, and around the world, right now. You don't know how many USD will be made this year, or next. Fed Interest Rates are subject to change at any time, to any extent.

None of these flaws in the USD system apply to Bitcoin. You will always know how many Bitcoins are available today, tomorrow, and 100



years from now. There is no interest rate that someone can change tomorrow. Bitcoin isn't acting like its a part of any government, either.

And unlike the closed-door meeting at The Fed, Bitcoin is totally transparent, with everything available to see on its open-source protocol. Bitcoin is much more accountable than the US Dollar, or any fiat currency.

Gold has its own set of issues that should undermine your trust. How many banks have been found guilty of "market-rigging" Gold and Silver, just over the last 10 years? No one goes to jail, and the fines are minimal, which means it's tacitly approved illegal behavior that will continue, indefinitely. This doesn't go on in Bitcoin because banks don't control Bitcoin.

You trust stocks and bonds, but these can be printed up, en masse, anytime a company gets in trouble, or needs more revenue. Bitcoin has a set

schedule hard-coded into its protocol. No one person can decide to just produce more Bitcoin next week. Bitcoin cannot be corrupted, like so many other investments can, and are, these days.

And even compare Bitcoin to Ethereum, Ethereum's developers have changed the protocol rules several times to serve their own purposes, and line their pockets. That is an Ethereum flaw, not a feature. That is called centralization. Bitcoin offers decentralization, a feature, not a flaw. That means no one can wake up tomorrow and change Bitcoin, to suit their purposes. No bad actor can corrupt the network, for censorship, or financial gain. Bitcoin is a secure network, unlike Ethereum.

You can trust Bitcoin because it has proven itself over almost 15 years, over hundreds of millions of transactions worldwide, and on Layer 2 "Lightning Network," to be without debt, fraud, counterfeiting, hacks, or manipulation of the protocol. Secure, full-settlement transactions for

anyone, anywhere, anytime, any amount, from less than a penny, to hundreds of millions. Bitcoin offers you trust other financial instruments simply cannot.

Bitcoin cannot be confiscated, only given away. Bitcoin transactions are immutable, so they are emblazoned on The Blockchain for all times, and the proof of its performance cannot be changed or falsified, by a government, bank, law enforcement, Bitcoin user, or bad actor. It would be like trying to remove a 100-ton stone from inside The Great Pyramid of Giza.

Think of Bitcoin as if the U.S. Dollar and Gold had a baby, but the baby had all of their strengths, and none of their weaknesses. The downside is you cannot hold it in your hand, and it is tricky to understand.

On top of every other fail-safe, you have over 100 million people, with millions of them coders, IT professionals and computer experts invested in

Bitcoin, and monitoring their investment, and The Bitcoin Blockchain, on a daily, if not hourly basis. There are hundreds of billions of dollars at stake, and everybody's financial future is on the line. People who have spent their entire adult lives investing in Bitcoin, and the security of its network.

If anything goes awry, there is an army of cyber hornets alerting the community, and ready to attack. This system has worked as flawlessly as any system on Earth, since 2009.

# HOW DO I ACCESS “THE LIGHTNING NETWORK?”

Before we talk about how to connect to "The Lightning Network", let's go over what it is and how it can help you.

“The Lightning Network” (TLN) is a “Layer 2 Solution” (Bitcoin’s blockchain would be “The base layer”) where you can do more transactions, faster, built for speed. Think of Layer 2 as a website on top of The Internet (of money.). And The Lightning Network would be a payment network built specifically to move smaller Bitcoin transactions off The Blockchain and move them faster, for less fees.

A typical Bitcoin transaction, in 2022, median transaction fee, ranges anywhere from \$0.20 to \$1.00 USD. A transactions o The Lightning Network would be just for 1-10 Satoshi’s, which many times is less than \$0.01 USD. And

these transactions aren't waiting for the next block on Bitcoin's Blockchain to register, as these will be added in a batch transaction from the node's account at a later date.

This is perfect for buying a latte at Starbucks. Bitcoin, itself, was not built for making a quick purchase at Chipotle. The "base layer" is really optimized for larger transactions and security. The Lightning Network is about speed & lower fees.

Now, how do you get there? Most use mobile wallet apps, so wallets like Strike and Muun are very popular options.

# WHAT APPS ON MY PHONE CAN HELP ME USE BITCOIN?

*Disclaimer: I'm not a whiz on the smartphone. It's not my strong suit, but I have used these apps before, and enjoyed the experience. Reviews within the Bitcoin community have been very strong, so these are at least worth a try.*

Please keep in mind your phone is inherently less secure than most computer devices, being used outdoors most of the time, and the amount of times you use public WiFi networks with it, so it is not recommended that you use your phone to access large amounts of Bitcoin. Be smart & be secure with you Bitcoin.

Here are 3 apps that can help you use Bitcoin better.

Muun is a downloadable app that works well as a mobile wallet, and gives you access to “The Lightning Network.” Inside of Bitcoin University, I have made videos about how Muun works, and it is very easy to use, even if you are not great with smartphones, like me.

Strike is an app made by Jack Mallers, and he is a mover and shaker within Bitcoin. He helped Twitter start accepting Bitcoin as a tipping mechanism in 2020, and he is also a major player in El Salvador making Bitcoin legal tender. He is also working to bring Bitcoin point of sale functionality to major retailers like Kohl’s and Krispy Kreme.

Strike is similar to Muun in offering Bitcoin wallet and Lightning Wallet functionality, on the go. Just a matter of which interface you prefer. Atomic Wallet is another that I have used and works well. It doesn’t do The Lightning Network, at this time, but offers a full-service Bitcoin exchange functionality, if you need.



# WHEN SHOULD I BUY A BITCOIN?

Keep in mind I am not your financial advisor. This is not financial advice. Buying Bitcoin, a digital property, an asset, not a currency, is not unlike buying a physical property, like real estate.

In real estate, there are three different types of buyers. Those who are buying to use the real estate as their own property to live in. Those who are buying the property for “cash flow” to rent out. And those who are looking to “flip” the property for a profit in the future. These buyers make money on a property when they buy the property, at the lowest price possible, so they can sell it at the highest value, for best return on Investment.


With Bitcoin, there are also three types of buyers. The day traders buy and sell Bitcoin on a daily, or even hourly basis, based solely on the market price. Then there are the inexperienced

Bitcoin investors, who buy based on FOMO (Fear Of Missing Out). When the price has already made major moves upwards, that's when the average person just starts to get a plan together to invest in Bitcoin, and they buy when prices are fairly high

The savvy Bitcoin investor will do either one of two things. They will “Dollar Cost Average”, or invest the same amount every week, month or quarter, regardless of price or market conditions. Or a savvy investor will “Buy The Dip,” making most or all of their purchases when prices drop, or there is a “bear market”, a Bitcoin market downturn

The image below reveals Bitcoin price is consistent in its inconsistency. The “bear market” has happened reliably 2 years after, and before, a Bitcoin halving event.

Bitcoin Returns: 2010 - 2022			
Year	Year Start	Year End	% Change
2010	0.003	0.30	9900%
2011	0.30	4.72	1473%
2012	4.72	13.51	186%
2013	13.5	758	5507%
2014	758	320	-58%
2015	320	430	35%
2016	430	968	125%
2017	968	13,860	1331%
2018	13,860	3,689	-73%
2019	3,689	7,184	95%
2020	7,184	28,775	301%
2021	28,775	47,902	66%
2022 YTD	47,902	16,630	-65%


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@CharlieBilello

This doesn't qualify as investment advice, and I am not a financial advisor. Do your own due diligence, but what I would recommend is avoid buying Bitcoin during massive spikes in price. "Buy The Dip" is invariably a better strategy than buying FOMO. And whatever you do, don't take Bitcoin investment advice from the mainstream media, or the incredibly fake news.

The MSM only talks about Bitcoin in one of two states, when Bitcoin is really, really high in value, or really really low in value. So if you see the MSM bashing Bitcoin and spreading the FUD (Fear, Uncertainty, Doubt), now is the time to buy, IMO.

Think of it like when you go to the supermarket. What do you always buy? Toilet paper? A-1 Sauce? Soda? Whatever it is, when one of your grocery staples goes on sale, don't you buy it? Maybe you buy twice as much as you would normally? That's how you should view Bitcoin. Buy as much as you can when prices drop.

There are two states of Bitcoin: A state of accumulation (prices fall) or appreciation (Prices rise). If you understand that, there is nothing to fear in Bitcoin.

# WHEN SHOULD I SELL A BITCOIN?

I am not your financial advisor, but the best time to sell Bitcoin is never! Selling a Bitcoin is one of the biggest financial blunders you could make. Here's why.

As of the writing of this book, no one who has held a Bitcoin for more than 4 years has ever lose a dime investing in Bitcoin. What should that mean to you? This should mean that Bitcoin is a long-term investment grade asset. Day trading Bitcoin is not recommended.

Bitcoin was less than \$100 USD when I found out about it, in March 2013, and it's about \$17000 USD as I write this. So the longer you hold it the more valuable it becomes. If I bought a bunch of Bitcoin at \$100, and sold it the next year, for \$1000, in the moment, it would seem like a smart move, a 9X ROI. Except it becomes less of a smart move as Bitcoin price continues to rise past \$1000.

There are two regrets of every Bitcoin investor. Either “Why didn’t I start investing in Bitcoin sooner?” or “Why did I sell my Bitcoin?” Bitcoin University doesn’t recommend ever selling BTC.

# ONCE I GET A BITCOIN, WHAT SHOULD I DO WITH IT?

Think of owning a Bitcoin like owning The Hope Diamond. Would you tell everybody you have The Hope Diamond? Would you give it to some stranger to hold for you? Holding a whole Bitcoin is a blessing, and a curse, because you need to be incredibly responsible with it.

Let's go over what you shouldn't do with BTC:

- You should not sell it, which we went over. You'll regret it.
- You should not trade it in for a shitcoin, Gold, food, pay bills, or even buy a home with it. You are then selling the winner to buy the loser, in long-term value. A rookie move.

- You cannot keep it on an exchange, as you are no longer the owner of it. Not your keys, not your Bitcoin. Take it off any exchange. These three recommendations are more like Bitcoin Commandments. These are non-negotiable. After 10 years in this space, these are Bitcoin No-Nos.

Ok, so what should you do with a Bitcoin?

After you take it off an exchange, place it in a trustworthy wallet. The more Bitcoin you have, the more security it will need. Less than 0.5 Bitcoin, you could use a “hot wallet”, but a hardware wallet is still recommended. Once you pass 0.5 BTC, a hardware wallet becomes essential.

Trezor has become the standard for hardware wallets, keeping your keys offline and making your Bitcoin account easy to use, without going through a 3rd party, which can compromise your Bitcoin security. If you lose your device, as long as you have your seed words (12-24 words that can access your Bitcoin, as a private key) and no



one else does, you'll be fine. Ledger and Coldcard are other options.

You may also want to consider using a multi-sig wallet, which stands for multiple signature. This may require 2 out of 3 signatures to access your Bitcoin, or 3 out of 5. There are companies that provide this security service, like Unchained Capital. I wouldn't recommend Coinbase, the most popular Bitcoin app.

I'll go over why, later.

## IF I SHOULDN'T SELL A BITCOIN, HOW DO I GET VALUE FROM IT?

This is a good question, even though Bitcoin is really a long-term, “risk-off” asset. In the short-term, you may need a little financial assistance, and this includes Bitcoin owners. Here’s what the pros do, when they need to extract value from a Bitcoin.

Well, first, don’t sell the Bitcoin, which we went over earlier. Rookie mistake. This bears repeating.

Think of Bitcoin like a stock, owning shares of a global decentralized economic network. Blocks of real estate, in “Cyber Manhattan” as Michael Saylor would say. If you owned actual blocks of land in the Upper East Side of Manhattan, would you just sell it because you wanted to buy a Lambo? Not if you are smart.

Ok, but you still want the Lambo, so what do you do? Do what the rich do when they need money. Borrow against your asset.

Elon Musk, Bitcoin investor, owns plenty of Tesla stock, making him either the wealthiest man on Earth, or second wealthiest, at least of those who's financials are made public. He didn't get rich selling his stock. He got rich holding his Tesla stock. You should apply this to any Bitcoin HODLings.

What he does is he takes out a loan against his stock portfolio. Now, Elon actually does two things to generate capital to make moves, like buying Twitter for \$44 Billion. He can either sell Tesla stock or borrow against it. He can sell Tesla stock because he can always make more stock. Stock isn't scarce, like Bitcoins are. There are only 21 Million Bitcoins, but there can be far more shares of Tesla stock.

The point is the more cash he needs, the more loans against his stock becomes a useful tool, and this is what you can do with your Bitcoin. Here's how that would work.

Most loan providers in this space will offer you 50% Loan to value. So, if you have \$10000 USD in Bitcoin, you give it to them, and they give you \$5000 in USD cash. Provided the value of Bitcoin doesn't change, radically, or are not in a bear market, this is fine.

If you are in a downturn, you may get "margin called" if the value drops too low, so you may need to add more Bitcoin, or make some arrangement with the company that gave you the loan. You should go over these scenarios before doing business.

In theory, if the take out these loans at the start of a bull market, which in Bitcoin can last as long as 3 years, you can keep borrowing, against the

same Bitcoin, indefinitely, if your withdrawals, don't exceed the appreciation of the underlying asset, Bitcoin. Taking out a Bitcoin loan is much better than selling a Bitcoin.

So then the question becomes where to get the loan from? Choose your company wisely. Those who invested their Bitcoin in companies like New Jersey-based Celsius lost everything when they went under. There is no FDIC insurance for these largely unregulated companies.

Nexo is a company out of Switzerland that have a large lending portfolio, and has weathered the bear market, and the Covid Plandemic. Ledn, out of Canada, also does well in Bitcoin lending.

Most lenders will cater to "Institutional" or "Accredited" investors. They will get larger, more stable companies to deal with, with better rates, so its easier, the higher up in the chain you go, but there are options that have stood the test of time.

## AFTER THE FTX COLLAPSE, I'M AFRAID TO ENTER THIS SPACE!

Just to recap the fall of FTX, FTX was a crypto exchange, nicknamed a “Crypto Casino” by many in Bitcoin, because it was heavily focused on shitcoins, and creating its own shitcoin known as FTT. Sam Bankman-Fried, also known as SBF, the head of FTX, used his own manufactured coin as leverage to rob FTX investors and to get real-world capital and assets based on his shitcoin holdings. FTX filed for bankruptcy, losing as much as \$30 Billion in value in a matter of weeks.

FTX had acquired naming rights to the sports arena in Miami (Formerly American Airlines Arena) and was a sponsor of Major League baseball. And FTX was endorsed by top celebrities, who may face legal action.

Some things you should know about FTX:

- FTX had nothing to do with Bitcoin. In fact, SBF was a critic of Bitcoin on many occasions. FTX was not known for its Bitcoin holdings. It was known for its Crypto holdings. Big difference.
- Exchanges are just like banks, except without FDIC Insurance, and mainstream banks fail all the time. As many as 3 banks a week, in the United States, go under. Just not as large as FTX. This would be similar to the Lehman Brothers collapse, or Enron, but again, this is not a Bitcoin property. Bitcoin shouldn't be held accountable for SBF and his problems, any more than the US Dollar can be held responsible for Lehman Brothers, or Enron.
- Anyone who was smart enough to HODL their own Bitcoin was unaffected. IMO, if you leave your Bitcoins, which are assets, or shitcoins, which are unregistered securities, on an exchange, you deserve to lose them. You have two jobs in

Bitcoin: Get Bitcoin, and HODL Bitcoin. If you don't do these 2 jobs, I have no sympathy for you.

- This is a hard lesson, but a necessary one. In the aftermath, Bitcoin investors around the world have moved their assets off of exchanges, so this is net positive for Bitcoin. Having millions of Bitcoin on exchanges creates a very dangerous situation, where the largest centralized, potentially compromised companies, like FTX, in the space control the largest swaths of Bitcoin. Not good.

There is also the more cynical view of FTX, that this scam was so insidious, and so classic, that this was either established by bad actors as an attack vector against Bitcoin or the Crypto industry.

That SBF met with Gary Gensler, head of the SEC, six months before the collapse, and no red flags were broached from that is very questionable and disturbing. The administrative and regulatory problems at FTX didn't just pop up one day, and



FTX collapsed the next. There was plenty of problems at FTX for Gensler to handle, at the time.

So, what should you have learned from the collapse of FTX? Don't leave your Bitcoin on any exchange. That is the silver lining. If an exchange going under is going to stop you from making the investment of a lifetime, you aren't ready to prosper in Bitcoin. Bitcoin is not for everybody. If you follow basic fundamental concepts on how to handle Bitcoin, that anyone can do, you'll be fine.

If you think exchanges are banks, you're wrong. And many people have to learn that lesson the hard way. And history teaches us not to expect much oversight of exchanges from regulators. So you better regulate yourself and your holdings.

That said, Bitcoin is not for the timid. Bitcoin price will move up and down, sometimes dramatically. And every time, good or bad, it doesn't really mean anything, unless all you are is a

Bitcoin day trader. If you are in Bitcoin for the long haul, which you should be, buy it and forget it. The day-to-day price oscillations may make you seasick!

Think of Bitcoin as a little sailboat, trying to traverse the waves around a sinking Titanic of fiat currency, financial derivatives and centralized corruption. The waves will be choppy, the ride will be rough, but your ship will not turn over. The fate of the Titanic is already set in stone.

Being on the right side of history should bring you plenty of comfort.

# I AM NOT AN INVESTOR IN “THE WEST” HOW DOES BITCOIN HELP ME?

Bitcoin is far more exciting and useful outside of The United States and The West than inside. You wouldn't be wrong in assuming “the emerging markets” are what Bitcoin was made for.

Earlier, we went over how Bitcoin was very important in helping truckers in Canada find freedom from tyranny, and how Bitcoin has saved thousands of lives in the hyper-inflating economy of Venezuela. These examples are just the beginning of what a Bitcoin can do for you. It's far more than just a cool investment product.

In El Salvador, it gives the nation a way out of total dependence, economic tyranny, under the U.S. Dollar. There are dozens of nations around the world who don't even have their own currency, and the U.S. Dollar is used, by default. This makes their

independent growth and investment very difficult. They end up controlled by international loansharks, like the BIS, World Bank and IMF, who may lend them money, and probably will take their country over. It's just a matter of time.

President Bukele has chosen a bold, innovative path, betting the country's economic future on Bitcoin, which I went over in a previous chapter. The timing wasn't great, as Bitcoin was coming out of a Bull Market and heading into some lean times, but running a nation is not a short-term venture. 10 years from now, he will be seen as a genius, and his legacy in El Salvador will live forever. Other nations will follow suit.

Bitcoin has already proven it can help the populace at scale, fight tyranny, hyper-inflation, currency debasement, and national sale of their country, but Bitcoin as a reserve asset, on a national, if not global level, will be Bitcoin's greatest achievement.

There are many, many nations out there, struggling, with no currency, or a currency on the brink of death. The brightest of these nations will bet on Bitcoin over the next few years, and will have a much brighter future because of this bold stroke of fiscal responsibility. Investing in a financial network with no debt, no fraud, no inflation and true transparency may make Bitcoin the perfect invention at the perfect time.

# CAN I GET PAID IN BITCOIN?

Yes, yes you can! Most people buy Bitcoin from 3rd party exchanges. Some work for Bitcoin, requesting to be paid in Bitcoin for their goods or services, and post a QR Code or public key, and this includes a growing number of cafes and bistros, many in the E.U.. Did you know you can get your paycheck in Bitcoin?

There is a company called Bitwage that has been helping people receive part, or all, of their paycheck in Bitcoin since 2014. Bitwage has helped over 50,000 people and 2000 companies handle their payroll in Bitcoin. They can help you in multiple fiat currencies, USD, CAD, EUR and GBP, and you can get same day service. They also are never the custodian of your funds, so you are always in control.

According to Bitwage, some of the top brands in the world are using their service to offer Bitcoin wages as a benefit, including FedEx, Amazon and Lyft. So, yes, there are companies that will pay you a salary in Bitcoin. As someone who used to get paid in Bitcoin, cutting exchanges from your life is very empowering!

# WHAT IS THE BIGGEST THREAT TO BITCOIN?

The answer is.....we are. We, the users, the owners of Bitcoin, can easily destroy Bitcoin. Let me explain.

Bitcoin is too robust, too big, too powerful to be overpowered within The Blockchain, directly, so the next attack vector would be those who hold Bitcoin ownership. If you could pool enough owners together, that hold millions of BTC, and get them to foolishly do something to undermine the value of that ownership for a common goal. Maybe they have been coerced by a government? Maybe they feel they can take over the protocol and all Bitcoin in some kind of proxy war?

The next possible point of attack would be through Bitcoin exchanges, who already hold large amounts of Bitcoin. This is why I always remind



new users to remove Bitcoin from exchanges. It takes the power of Bitcoin away from you and gives it to a centralized 3rd party, that can be corrupted.

Now, I think this is highly unlikely, as most of the 19 Million Bitcoin available at this time are not in exchanges, but the more Bitcoin held in exchanges, the more leverage and control they have, and the more control and leverage a government, bad actor or 3rd party can have over the exchanges.

There is absolutely no good reason to trust any exchange. They aren't insured, and they will not make you whole, if they collapse, are embezzled, or a government body takes them over.

They are just strangers, who can exchange fiat currencies for Bitcoin. Treat them as such.

The less Bitcoin is held in exchanges, the safer and more secure Bitcoin is now, and in the future.

# I'VE HEARD SO MUCH ABOUT CHINA AND BITCOIN. WHAT IS CHINA'S INVOLVEMENT WITH BITCOIN?

China's involvement in Bitcoin is actually not fake news, but old news. This doesn't warrant much explanations, so here's a short synopsis.

The nation of China discovered Bitcoin investing right after I did, in the middle of 2013, and they helped boost Bitcoin value past \$1000 USD for the first time, later that year. Bitcoin mining and investing there became the hot new craze. It got to the point where 80-90% of all Bitcoin transactions were done in China! A lot of these were fraudulent transactions, between accounts, pumping up the price, artificially. Low-level market manipulation.

The Chinese government started cracking down on it 5 years later, and officially banned

Bitcoin in 2020. At the time, a majority of Bitcoin's hash rate was concentrated in China. All the Bitcoin critics said Bitcoin wouldn't survive, it would crash and burn.

What happened? Most of the miners moved to the U.S., or other jurisdictions. Bitcoin suffered no downtime. Tick-tock, next block. Today, about 1/3 of the global Bitcoin hash rate is in America! Who says America doesn't make anything anymore?

Is all the Bitcoin hash rate gone in China? Hell no! Do I think some of their elite are still mining and collecting Bitcoin? Probably, but the average bloke is likely cut off, just like the average American investor is not allowed into the top investments in The West, unless they are "accredited" or "institutional" investors. Never take your freedoms for granted. The American Way is still the world's standard. Take advantage of your opportunities.

# WHAT ARE THE BENEFITS OF OWNING BITCOIN? WHY SHOULD I BOTHER?

Love this question! Why Bitcoin? More like ‘Why not Bitcoin?’ There are many great reasons to invest in “The Future of Money”, especially if you plan to be around long-term. You can’t control your future if you can’t control your money, in the future.

Which leads to the first benefit. Control. With Bitcoin, you have now gained control of maybe your first “property” ever, if you don’t own a home, which you don’t really “own” until you have paid off the mortgage. Owning Bitcoin is owning shares of a global economic network. According to the IRS Tax Code, you are now a “property owner.” Take pride in owning your financial future. What is a better investment than that?

Next, your investment is secure, in many ways. One, once you own Bitcoin, you cannot “lose”

your Bitcoin. You literally have to give it away. Maybe someone will try to run a “phishing” scam on you, to get you to give up your private keys. Maybe you will lose your log-ins or mnemonic keys/seed words, but you now own digital shares of the Bitcoin network. Bitcoin can’t get hacked. The government can’t take it from you. You’re now invested in long-term financial security.

Another reason is when you invest U.S. Dollars, or other fiat currencies, into Bitcoin, you are divesting yourself out of the centralized banking system. Using U.S. Dollars is a tacit approval of The Federal Reserve and their economic policies. In the U.S., inflation over the last 3 years has soared past 15%, if you didn’t fall for the “CPI is iInflation” trick. Why invest your time, effort, and future into a currency that is dying? That’s what death of a currency looks like. It is called inflation. The human body has another phenomenon that mirrors inflation. It’s called cancer.

When you are totally dependent upon the U.S. Dollar, and The Federal Reserve, for your financial solvency, you leave yourself open to any and all government and Federal Reserve mandates. What happens WHEN the U.S. moves to a “digital dollar”, and start restricting its use? You can’t travel here, you can’t buy this, you can’t spend that?

Maybe you have played this out in your mind, but people in Zimbabwe, Argentina, Greece and Central African Republic has seen inflation run out of control in the last 7 years alone, and now the U.S. is starting to go through this economic cancer. What’s your Plan B, if the currency continues to self-destruct, if this cancer isn't cured? Do you trust Joe Biden to solve this problem?

The point is you are responsible for you and your family’s financial future, not Joe Biden, or The Federal Reserve. They don’t care about you or your family. You need to have a Plan B. B standing for Bitcoin. That’s called “Fiscal responsibly.”

Tying into the financial security reason, every paper currency that has ever existed share one thing in common. Every single one has collapsed, disappeared, died, over the long run. If banks and governments can continue to inflate it, meaning print it indefinitely, they will destroy it. It's just a matter of time. Every government has destroyed their own currency, eventually.

The average currency lasts 41 years. The U.S. Dollar, in its current form, is pushing 80 years, since it became the global reserve currency. It's only a matter of time. Be prepared to have something else your family can use, anywhere, anytime. Bitcoin is built to last hundreds of years.

Other reasons include the fantastic return on investment, which we've gone over earlier, that beats all other long-term investments, Pandemic or not, recession, or not. The ease and speed of transfer, the low costs of use, and the lack of ownership costs. To own a yacht, you'd have to be

prepared to pay 10% of the cost of the boat per year in maintenance fees. Owning a house has property taxes, HOA, and maintenance of waters, sewer, roofing and lawn care. Bitcoin costs nothing to HODL yourself.



# WHAT CAN I EXPECT FROM BITCOIN IN THE FUTURE?

Bitcoin has an exciting, bountiful future, because it was built properly, from the start. Bitcoin's Blockchain, the "base layer" was built to focus on decentralization, security, durability and accuracy. This allows you to get great solutions without compromising the base layer, like what happens in Ethereum. When Infura crashes, so does Ethereum. That's the problem with centralization.

When you build Bitcoin, like bedrock, from the start, you can now have Layer 2 solutions, like The Lightning Network, that can then stand on top of Bitcoin, like a building stands on top of bedrock, a solid foundation, and The Lightning Network can focus on fast, inexpensive transactions. Then you can have Layer 3 solutions, like Impervious web browser, which is an Internet browser built on top of The Lightning Network.

I was there, at the 2022 Bitcoin Conference in Miami. when they released it to the public. An open-source, anti-tracking web browser, that focuses on more online security, if not an expansive search capability, like Google. Just like The Internet itself, that Bitcoin is modeled after, Bitcoin scales upwards, in secure layered solutions. This is how systems are built to last.

I'll cover what you can expect from Bitcoin price in the next chapter, but what you can expect from Bitcoin is only limited by your imagination. In The West, it will be seen as most an institutional-grade investment, which is already recommended and used by top brands like The Intercontinental Exchange, BlackRock, and others.

I also expect companies to use Bitcoin returns to fund things like savings and retirement accounts, with superior yields to what banks offer.

# GIVE ME A BITCOIN PRICE PREDICTION! HOW HIGH CAN BITCOIN GO?

Bitcoin price is at once the most important thing about Bitcoin, and the least important thing about Bitcoin. Yes, the U.S. Dollar price, the exchange rate, or whatever national currency you use, is important, but if that is all you care about, you have truly missed the point. Bitcoin is not here to replace U.S. Dollars.

The problem with Bitcoin price is the exchange rate couldn't have less to do with Bitcoin. When FTX collapsed, Bitcoin price dropped 15%. Why? Did FTX work for Bitcoin. No. Sam Bankman-Fried didn't even like Bitcoin, and derided it at every opportunity. FTX had little to nothing to do with Bitcoin, except that you could get Bitcoins there, and you were a fool to store them there. People who did lost everything.

If you inflate, or manipulate, the value of the U.S. Dollar, that changes the price of Bitcoin, in that currency. If the national economy tanks, a lot of Bitcoin traders may dump their Bitcoin, to focus on paying the bills.

When Bitcoin adds Taproot, or 1000 nodes, or another Lightning Network provider, the market price doesn't reflect these upgrades, so again, the price of Bitcoin has little to do with Bitcoin.

Having said all of that, I do have good news to report. Bitcoin price, starting here, in 2023, should enter a Bitcoin Bull market, in the second half of this year.

A Bitcoin halving is coming the Spring of 2024, and the reduced Bitcoin supply will get baked into the Bitcoin price, leading up to the Halving Event. Bitcoin price has historically moved up 6-12 months before a halving, and I haven't seen anything that should change this trend.

How high can Bitcoin go? Bitcoin bull runs last longer than bear markets, and the next one shouldn't end until late in 2025, if history is any sort of guide. The real question is: What will happen to the U.S. Dollar in the years to come? I believe the U.S. Dollar is going digital in the near future. It's just a matter of what year? 2024? 2025? When that happens, the value of the USD, and Bitcoin, will adjust significantly.

Personally, I'd be surprised if Bitcoin doesn't pass \$100k USD by 2025. The days of Bitcoin rising 1400% in a year, like it did in 2017, those years are over, IMO, but you can never put anything past Bitcoin. In the next 3 years, rising 200-400% a year is much more likely, as the world needs Bitcoin more than ever, as nations collapse under the weight of their own debt and entitlement obligations, corruption is at an all-time high, and everyone is looking for a safe haven, during these very uncertain times.

I say the wisdom is looking at Bitcoin over 4-5 year periods. Bitcoin, in 2028, will be significantly more valuable than it is today. That I can say with certainty.

The only real question, in my mind, is will we still be comparing Bitcoin to the U.S. Dollar for value, which doesn't make much sense, but that's all we know, as a human race. Or will we start using Bitcoin as the standard of value, which makes much more sense, since it cannot be inflated, at will. We should move towards a "Bitcoin Standard," just as we employed a "Gold Standard" a century ago. That would be a brighter future.

## WHICH BITCOIN EXCHANGE SHOULD I USE?

The Bitcoin exchange isn't a very important variable, since you are using them just to exchange funds, not store Bitcoin. However, there are traits I hold dear, and would recommend you consider.

1. Exchanges are not banks! The two most important rules in Bitcoin are exchanges are not banks, and not your keys, not your Bitcoin. Possession is 10/10ths of the law inside of Bitcoin, so keep your assets off exchanges. Do your business and keep your Bitcoin moving, onto a hardware wallet. I would recommend Trezor.

2. I can't recommend Coinbase, the most popular exchange in the space, for three reasons.

First, they supported and invested in the potential overthrow of Bitcoin during "The Great Block Wars", Bitcoin's battle for decentralization, which lasted from 2015-2017.

I won't go deep into The Block Wars here, but this was a battle for control of the future of Bitcoin, and it's when the largest corporations and exchanges, which included Coinbase, tried to take over Bitcoin through a block war attack, where the Bitcoin blocks would rise from 1 MB to 2 MB, and could rise from there.

If they make the blocks progressively larger, ostensibly to scale the protocol for more transaction capability, you would also make the blockchain twice as big, making it much harder for the average person to be a full node, and store the entire blockchain. This would have a cascade effect of making the blockchain so big only large corporations could store it, become full nodes, and this would centralize the entire system to a few major players holding all of Bitcoin's data. Not good!

Coinbase was on the wrong side of history. Coinbase and the corporate takeover failed, as they couldn't gain "consensus" and the nodes wouldn't



run their SegWit2X program, so the integrity of the protocol remained.

In effect, the corporations were doing a similar take over to Ethereum's "Proof of Stake", trying to centralize the protocol, just without changing the Proof of Work algorithm. The Bitcoin community snuffed this takeover attempt out.

I am a crusty Bitcoin veteran, remember what Coinbase tried to do, won't forgive them, and won't use them. Only newbies, who don't know any better, use Coinbase, but this is a great reason to avoid Coinbase. They aren't here for Bitcoin. They are here for control of Bitcoin. Big difference.

2. They have a history of charging Bitcoin users more than shitcoin users when it comes to fees on their platform.

This may be an incentive for shitcoiners to use their platform more, or a way to accumulate

more Bitcoins, using fees, but its also the main incentive for Bitcoiners to use Coinbase less. Go with the flow! Don't argue with them. If they want to treat Bitcoin like a second-class citizen, go where your money is most wanted, and respected.

3. The IRS loves auditing Coinbase users. Think of it like going to the airport, and all the TSAs are at one airline, looking for trouble. Maybe you fly another airline?

There is no good reason to use Coinbase over *Kraken*, for example, and other exchanges who's leaders have shown consistent support for Bitcoin, and share Bitcoin's ethics and values.

I don't invest in companies that don't share my ethics and values. 3 strikes and I'm out on Coinbase. They don't deserve my support, and I can't recommend them to new users. Be better than Coinbase.

# HOW DOES A BITCOIN SPOT ETF CHANGE BITCOIN?

In the generations to come, when we look back upon Bitcoin's historical timeline, there will be a clear line of demarcation: The time before the Bitcoin Spot ETF, and the time thereafter. The Bitcoin Spot ETF will be the greatest event in Bitcoin history, along with its victory over fascism and centralization in The Block Wars of 2015-2017.

To be clear, Bitcoin is a global phenomenon, a raging success story, with, or without the ETF, and with, or without Wall Street's influence. In 2023, Bitcoin rose more than 150% in value, a normal Bitcoin year, without institutional or accredited investor money. Bitcoin will always do Bitcoin things, as it is not here to serve the financial elite. 93% of the Bitcoin have been mined, and only Michael Saylor's Microstrategy has made any significant investment, on a macro-economic level.

The vast majority of Bitcoin is held by ‘The People’, or the exchanges (and we need to do our part, and get Bitcoin off of the exchanges, where they do not belong).

As we sit here, at the start of 2024, several corporations are chomping at the bit to launch a Bitcoin Spot ETF. These included the world’s largest asset manager, BlackRock, with approx. \$10 Trillion in assets under management (AUM). Other top investment names include, Ark Investments, Fidelity, and Franklin Tempelton.

What is a Spot ETF? The shorthand of it is it’s an investment where the asset managers need to hold the asset in order to collect the investments from their clients. They own a piece of the fund’s assets, but get a cash profit, not actual Bitcoin, and Bitcoin is not required to invest. This benefits clients in convenience, as they don’t have to handle Bitcoin directly, and can treat it more like any other stock purchase done through a trusted third party.

The asset manager will need to actually hold Bitcoins, at a 1:1 reserve ratio, compared to the amount of money invested in the fund. So, if \$100 Million is in the fund, the asset manager needs to hold \$100 million in Bitcoin. This is virtually the opposite of a Bitcoin Futures ETF, where Bitcoins are not held, and bets on the future price of Bitcoin are made, which leads to more market manipulation, in the form of shorting the price, than anything else.

So, how will an ETF affect Bitcoin's price and value? Well, this will have a positive effect, for many reasons. Brand awareness and credibility rise exponentially. If BlackRock is willing to invest heavily in Bitcoin, why wouldn't you? Increased adoption by more buyers, including smaller corporations, family trusts, day traders and hedge funds, unlocking potentially trillions of dollars of liquidity into the Bitcoin market.

Also, this would significantly reduce Bitcoin's market supply over the next two years. At this time, there are a little over 2 million Bitcoins on exchanges, and OTC (Over-The-Counter) trading options that would probably be used. If you have several corporations, who have massive books, and need massive amounts of Bitcoin to fund their ETF, it won't be very long before OTC and Exchange supplies are exhausted.

In my opinion, this alone should significantly affect the next expected Bitcoin bear market, in 2026. If there is a very limited supply of Bitcoin, two years from now, due to funding these investment schemes, how will the market be bearish, over bullish, in 2026?

There will also be tax benefits, regulatory benefits, and transparencies that will make Bitcoin Spot ETFs very attractive. For example, starting in 2025, The FASB, which sets accounting standards for U.S. public and private companies and

nonprofits, voted unanimously to adopt a new standard that would require businesses to use fair-value accounting for Bitcoin and certain other crypto assets. Companies and accountants have repeatedly rallied for this change, as it would allow them to recognize losses & gains immediately, and treat digital assets as they would financial assets instead of as indefinite-lived intangible assets.

The point is Bitcoin was already winning, making over 150% in 2023 while lesser investments like Gold, are yielding 1/10 of the returns. Now, with Wall Street ready to stand behind Bitcoin, with virtually unlimited liquidity to invest, the sky is the limit for Bitcoin value, going forward. The savvy investor would be in Bitcoin BEFORE this ETF hits the market, not after, to maximize their gains.

Don't get it twisted! Bitcoin didn't want, ask for, or need Wall Street's help to be a success. Wall Street's demand, their NEED for a Bitcoin Spot ETF says all you need to know about who needs whom.

## WHAT SHOULD I DO NOW? WHERE DO I GO FROM HERE WITH BITCOIN?

My advice is to keep up with your education. An educated consumer is Bitcoin's best owner. I really don't want you in the space if you don't understand what's going on, and what Bitcoin is trying to do for you. Bitcoin is not about an ROI, or day trading, or impressing your friends.

It's about personal empowerment. Don't be dependent of your bank, or your government. They don't pay your bills, they don't know your family. They will be just fine with, or without, you. Bitcoin is about taking care of yourself, and having a Plan B(itcoin). So, hopefully this book has turned a light on for you, in this space, and it gets you doing more with Bitcoin.

Here are some trusted resources I can recommend when it comes to Bitcoin education:



Andreas Antonopoulos: The Internet of  
Money

Michael Saylor: Hope.com, Twitter

The Bitcoin Standard: Saifedean Ammous

Max Keiser: Twitter

And of course.....Bitcoin University. Thank  
you so much for buying and reading this book.

Every purchase helps Bitcoin University spread the  
wealth of Bitcoin education. If you can, share one  
of our links below, so we can let more people know  
what a Bitcoin can do for mankind. Thank you for  
your support.

<https://bitcoinuniversity.org>

<http://bitcoinmasterclass.io>

<http://bitcoinownersmanual.com>

# THE 5 GREATEST MEN IN BITCOIN HISTORY

- I. **Satoshi Nakamoto.** Whoever Satoshi is, or was, man, woman, company, or group, they did successfully change the world. Blockchains, digital currency (stablecoins), digital assets (Bitcoin) and CBDCs all came from Satoshi's invention, and many inventions we haven't even gotten to yet.
  
- II. **Hal Finney.** The first person who believed in Satoshi's vision, and became the second ever miner of Bitcoin, and was Satoshi's leading confidant, early on.
  
- III. **(Mad) Max Keiser.** Bitcoin OG. Was giving away Bitcoins on TV before I even knew what a Bitcoin was. Still is invited on mainstream media like Tucker Carlson, to explain The

Future of Money. Now resides in El Salvador,  
The Nation of Bitcoin.

IV. **Andreas Antonopoulos.** The Bitcoin Oracle.

His understanding of Bitcoin far exceeds mine,  
and he has taught countless desperate souls  
what a Bitcoin can do, including me. Thanks!

V. **Michael Saylor.** The Bitcoin Billionaire.

Why he is a tech giant isn't hard to understand.  
Devotes his time to enlightening The People,  
and does it expertly.

# THE FINAL CHAPTER

In closing, Bitcoin is simply the greatest invention of the 21st century. Why? Because it does so many things for every person on Earth that have never been done before.

Bitcoin is digital property, and it successfully gives anyone who wants them property rights. You hold Bitcoin's private keys. you now have digital property rights, no matter where you go. No one can take that away from you. This is the first time in human history EVERY person on Earth can own property, and verify it to the world. Bitcoin: The first asset to ever close that gap.

No matter where you are on this planet, or how much money you have, you can own Bitcoin. All you need is a phone, The Internet, or even a QR Code on a sheet and you can start acquiring Bitcoin. Even if you have no money, you can earn Bitcoin for your goods or services.

That is literally how I got started. I earned my first Bitcoin, way back in the Fall of 2013, writing an article about Bitcoin, and getting paid for the work, in Bitcoin. Even today, not many people earn Bitcoin, as payment. That's how I truly entered the Bitcoin space, and I am very proud of that fact.

What I want you to take away from this book is Bitcoin is an invention and it cannot be uninvented. If it magically disappeared, one day, it would be brought back almost instantly. Just like we cannot have a future without other technological advancements, like fire, steel, cars, planes, computers or The Internet. Bitcoin enters that haloed pantheon of humanity's triumphs of innovation and evolution.

We have now evolved from barter, to Gold, to paper, to plastic, to Bitcoin. If you like The Internet, you are going to love Bitcoin. Andreas Antonopoulos called it, "The Internet of Money." I call it "The Infinity Stone of Freedom."

In closing, I'd like to say getting started with Bitcoin is the smartest decision I've ever made in my life. It has given my life direction and purpose that was previous absent from my life. I used to just go from job to job, collecting checks, and paying bills, with no end in sight. Now, I have discovered "The Future of Money," and the last 10 years of my life have enlightened me.

I hope maybe this book can help enlighten you. I got to start with a news story on CNN about "Economic Collapse in Cyprus," when people started investing in this new Bitcoin thing, to stop their bank from stealing their wealth, way back in February 2013. From there, I had to ask, and answer, my own questions about Bitcoin, banking, money and where my life was going. Was I going to swear allegiance to the centralized banking cabal? Or was I going to forge a new path for my life?

I ended up on the right side of history, and I hope you get here too. “The Queen Mary” was a social worker, and she always taught me to support myself, but always help others, and Bitcoin University is my quest to accomplish both. My goal here isn’t to make a million dollars. It is to make my mother proud of what I can do.

So, what should you do now? Here are some suggestions, from Bitcoin University:

1. Get educated about Bitcoin. Reading this book is a great start, and hopefully it helped you see what this invention can do for you. Keep learning more about Bitcoin @ <https://BitcoinUniversity.org>
2. Did I tell you that you don’t need to buy full Bitcoins to get started? You can start with \$10, if you want. Dollar Cost Average (DCA) every paycheck, or even have Bitcoin purchases deducted from your paycheck. The going price for a full Bitcoin is just a

reference point, not a starting point. You can buy more, or less, than 1 Bitcoin.

3. Get some Bitcoin. The first purchase is the hardest. If you can only get \$10 USD, get it. Just get started. You'll be glad you did.
4. Take it off any exchange or 3rd party. Get a hardware wallet and HODL your Bitcoin. Not your keys. Not your Bitcoin.
5. Figure out how to get more Bitcoin. Have it taken out of your paycheck, which we went over earlier, buy some, work for Bitcoin, just keep building your digital new worth.
6. There is Bitcoin, and there are shitcoins. There is a difference. Your part is to know the difference.
7. Ask your local retailer if they accept Bitcoin. This will help further adoption, and you can use some of the reasons why businesses should use Bitcoin found in this book.



8. Support businesses that are pushing Bitcoin adoption and education, or accept Bitcoin, like AT&T, Microsoft and Dish Network.
9. Follow leading Bitcoiners on Twitter, like Max Kaiser and Michael Saylor.
10. Attend local events in your area, and international events, like the annual conference in Miami.
11. Don't be afraid to bring Bitcoin up with your friends. Once you have a solid education under you, strike up that conversation. Maybe even mention *Bitcoin University.org.....*

Thanks for reading my book, and supporting *BitcoinUniversity.org*. The mainstream has not done a very good job , supporting what we are trying to do, getting away from the tyranny of the big banks, and building a way to protect personal economic sovereignty, especially if nations are heading to a centralized digital economic system. If that doesn't work in your favor, find a better path.

Plan ahead! When big banks & governments get together on economic policy, don't expect your family's best interests to be at the forefront of their plans.. Bitcoin puts users first. That's my story, and I'm sticking to it. Now start HODLing! Take care.

**If you would like to take the next step, and learn how to get started, *Bitcoin University* has two ways to help you get started, right away!**

How would you like to learn how to start using Bitcoin TODAY after watching just one lesson from Bitcoin University? Take the Bitcoin University Masterclass?



Visit <http://BitcoinMasterclass.io>

