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# Introduction and Overview of Bitcoin



Anjali Kamath  
General Counsel and  
Compliance Manager

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# AGENDA



1. What is Bitcoin
1. Background on BitPay
1. Benefits of Using Bitcoin
1. Regulatory/Compliance Challenges

# Satoshi Nakamoto

- Attributed with the creation of Bitcoin, a type of cryptocurrency
- Published Whitepaper in 2008:
  - “Bitcoin: A Peer to Peer Electronic Cash System”
- Name is an alias; True identity unknown

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# What Exactly is Bitcoin?

- Digital Currency: A form of currency or medium of exchange that is electronically created and stored.
- Cryptocurrency: A type of digital currency that uses cryptography for security and anti-counterfeiting measures by securing the transactions and controlling the creation of new units.
  - cryptography: a method of storing and transmitting data in a particular form so only those for whom it is intended can read and process it.



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# Where do you store them?



- Bitcoin storage devices are referred to as wallets.
  - Web-based (Hot wallet)
  - Software
  - Offline storage- USB, paper, etc (Cold wallet or cold storage)
  - External hardware device



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# How do you acquire Bitcoin?

Mining



Exchanges



Individuals



In exchange  
for  
goods/services



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# the Blockchain

- The blockchain is a public ledger of all bitcoin transactions in the bitcoin network.

The screenshot shows the Blockchain.info website interface. At the top, there is a navigation bar with links for Home, Charts, Stats, Markets, API, and Wallet. A search bar is located on the right side of the navigation bar. Below the navigation bar, the main content area is titled "Home Welcome to Blockchain".

The primary feature is a table of recent transactions. The table has the following columns: Height, Age, Transactions, Total Sent, Relayed By, and Size (kB). The data is as follows:

Height	Age	Transactions	Total Sent	Relayed By	Size (kB)
375792	6 minutes	2857	35,310.55 BTC	F2Pool	976.56
375791	40 minutes	1602	11,459.16 BTC	21 Inc.	974.78
375790	52 minutes	2458	28,171.28 BTC	KnCMiner	912.42
375789	1 hour 0 minutes	1	25.00 BTC	F2Pool	0.26
375788	1 hour 20 minutes	1574	27,451.95 BTC	Telco 214	731.48
375787	1 hour 36 minutes	1261	15,957.97 BTC	AntPool	807.04

Below the main table, there is a section titled "Latest Transactions" which shows a list of individual transactions with their hashes, ages, and amounts. The amounts are displayed in green boxes:

- f99e5861c3f720e22462fec38... < 1 minute 0.013 BTC
- 6be6a031132bc6865aef78374... < 1 minute 84.34307261 BTC
- c92478bfe1... (Eobot) < 1 minute 2.0081 BTC
- 77e95d929ecf2afc8ad67dc33... < 1 minute 0.00245656 BTC
- cab12a74133e8b19f3a8eb988... < 1 minute 0.07004863 BTC
- 81296baa78ca1163cb752f385... < 1 minute 21.9999 BTC
- c3afa5b18f7306ee05fc7331e... < 1 minute 3.56876707 BTC
- 55cc27be3af33eef52ad775fc... < 1 minute 0.05184411 BTC
- c4ecce361d5ce00b965159d5d... < 1 minute 31.67981112 BTC
- 54a5701caf4c99e846e1d28b6... < 1 minute 0.009688 BTC

On the right side of the page, there is a "Search" section with a search bar and a "Search" button. Below the search bar, there is a "NEWS" section with several news items:

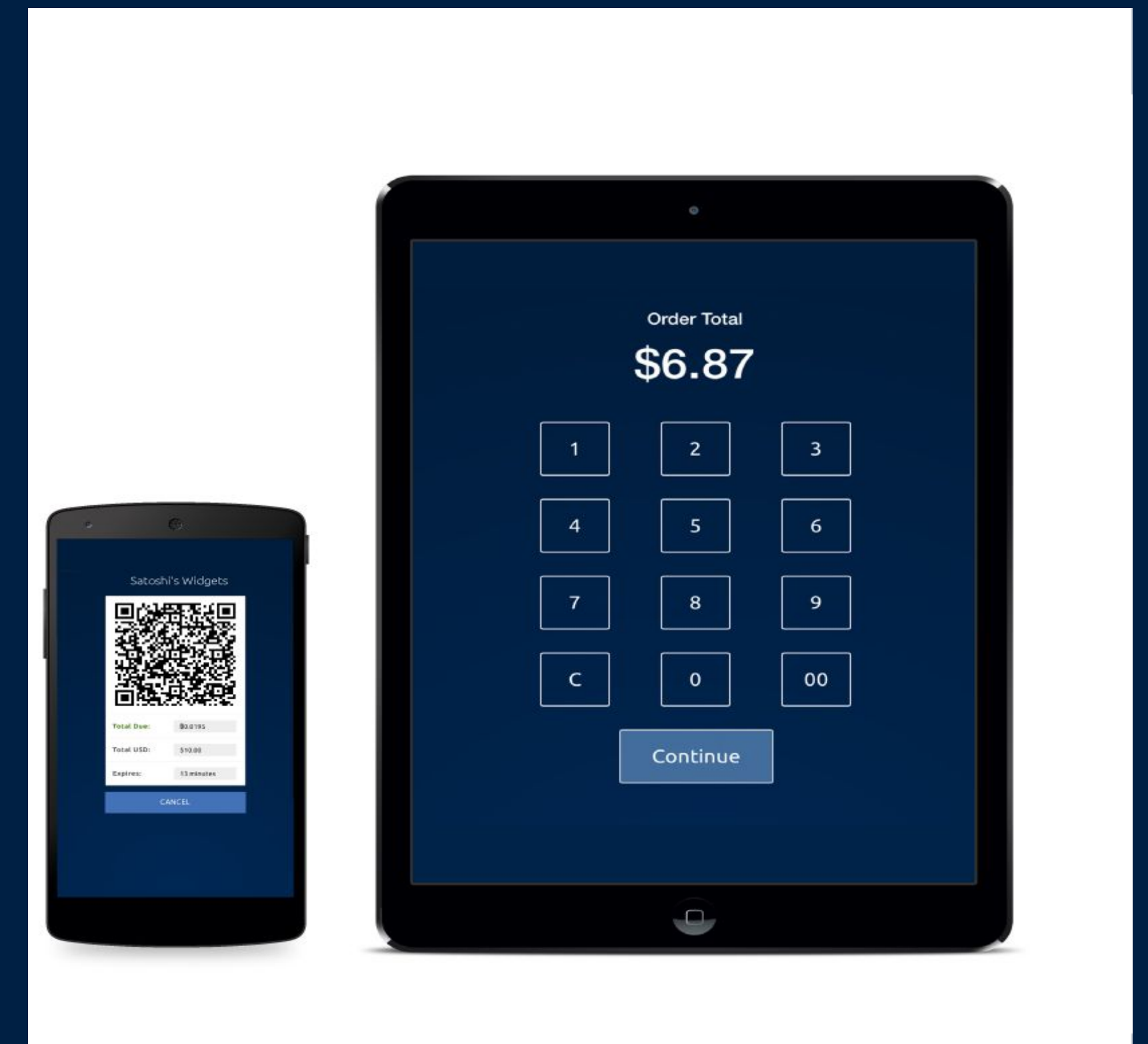
- BTC.sx - Bitcoin Trading Platform | 50% OFF Fees (BTC.sx ← 1 minute ago)
- 0.01BTC to all new Bitmessage users (Reddit 7 minutes ago)
- We're Excited to Announce that KeepKey Ships Today (Reddit 13 minutes ago)
- Google & Coin Center "Digital Gold" book event with Nathaniel Popper (Reddit 26 minutes ago)
- Money 20/20 - The Venetian, Las Vegas - October 25-28, 2015 - Last Call For Sponsors (Bitcoinist 29 minutes ago)
- BitLendingClub officially rebrands to Loanbase (Reddit 38 minutes ago)
- Circle Paused all deposits and withdrawals - 9/22-9/23 (Reddit 56 minutes ago)
- PSA Circle is now only instant with debit

# WHO WE ARE

BitPay is a Merchant Processor, providing payment processing solutions for Merchants wanting to accept bitcoin as payment for goods and/or services.

We currently offer:

- Point of Sale Apps for retail stores
- Online solutions for ecommerce



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# WHO WE ARE

- World's first bitcoin payment processing gateway
- Only service businesses
- Wallet agnostic
- Guaranteed exchange rate
- No transaction fees or chargebacks
- Daily bank settlement in 9 currencies and 33 countries



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SAN FRANCISCO



ATLANTA

AMSTERDAM



TUCUMAN



BUENOS AIRES



May 2011  
BITPAY FOUNDED

70  
EMPLOYEES WORLDWIDE

60,000  
MERCHANTS WORLDWIDE

\$32,700,000  
CAPITAL RAISED

Index Ventures  
Founders Fund  
Horizons Ventures  
RRE Ventures  
Felicis Ventures  
TTV Capital  
Richard Branson  
Jerry Yang

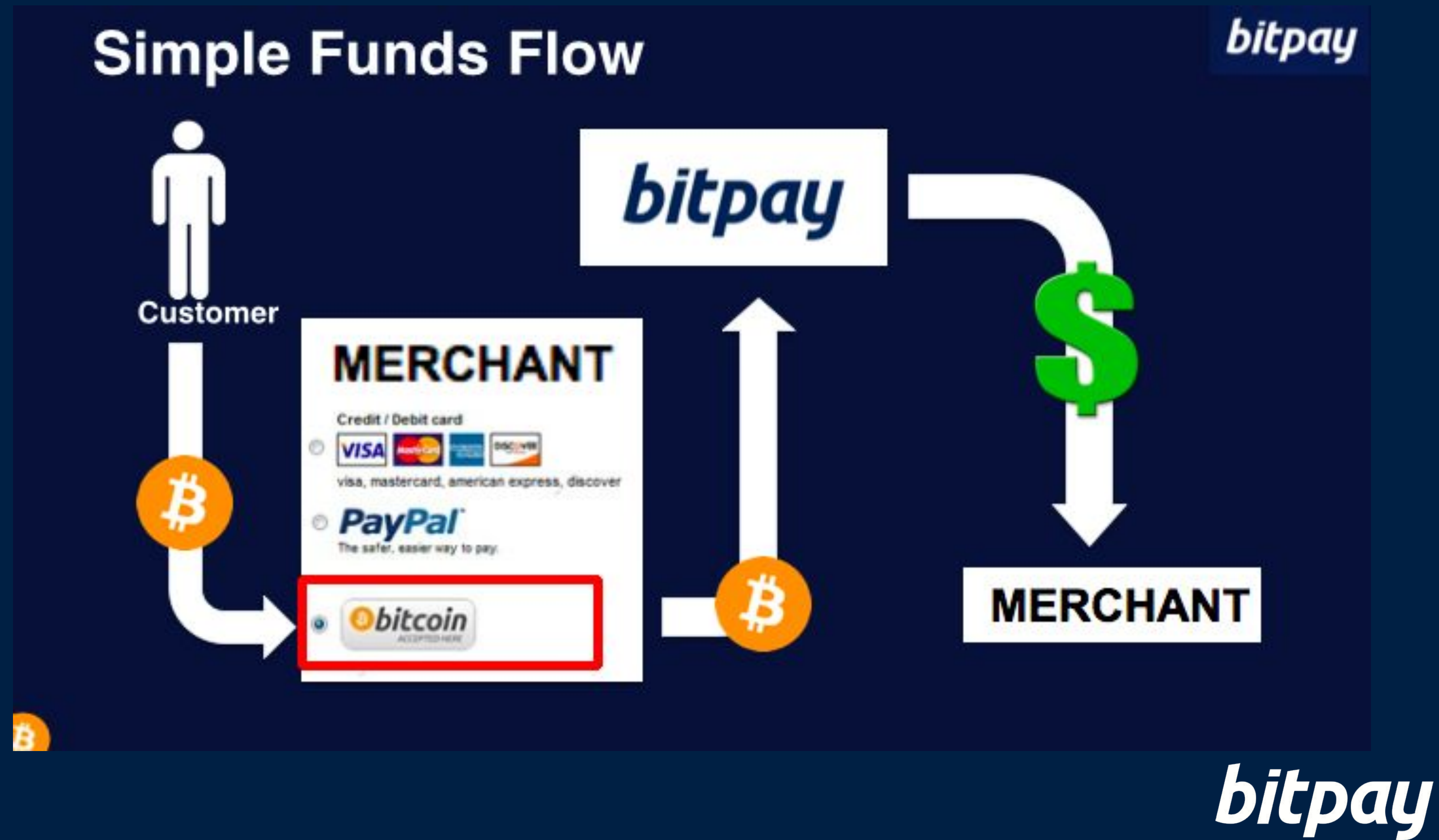
# Marquee Clients

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# How does it work?



# Why Bitcoin?

- No chargebacks
- No risk of fraud or identity theft
- Anonymous (to a certain extent)
- You own it and no one can take it away from you
- Ease of use: Fast, secure, and global; little to no fees
- Not subject to inflation
- Accessible to the “unbanked”

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# BitPay's Compliance Program



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ANY QUESTIONS?

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