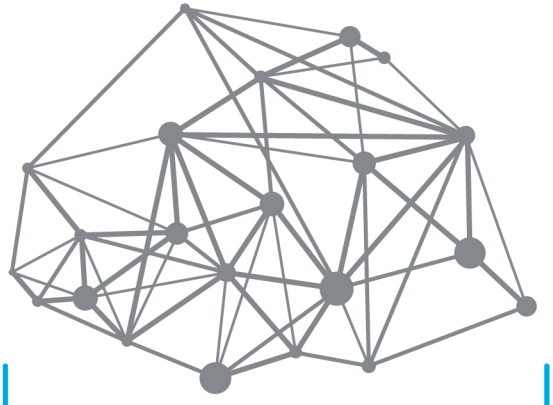
BitShares is



a **decentralized** network

It is operated by those who participate

No single government or company controls it

LEARN MORE **About the Benefits**>

BitShares has **digital tokens**

These have the properties of cryptocurrencies (like Bitcoin) but maintain a stable value and can be used as a medium of exchange (money)

BitShares (BTS)

however, unlike Bitcoin

BTS can be converted into

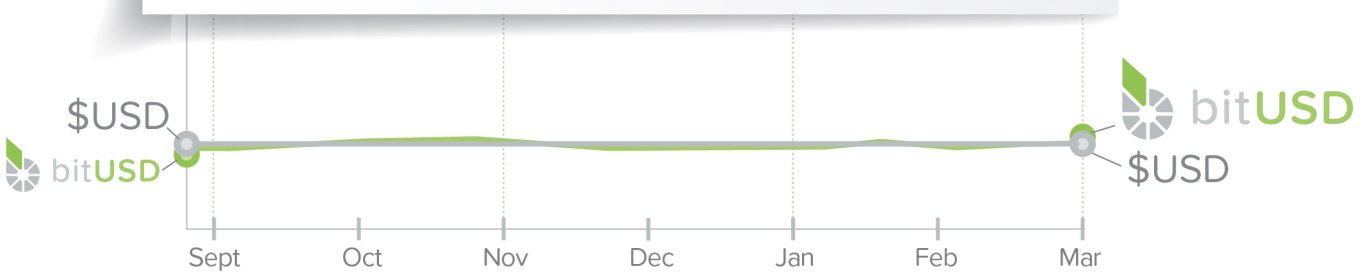
BitAssets

bitUSD bitEUR bitCNY bitGOLD bitSILVER

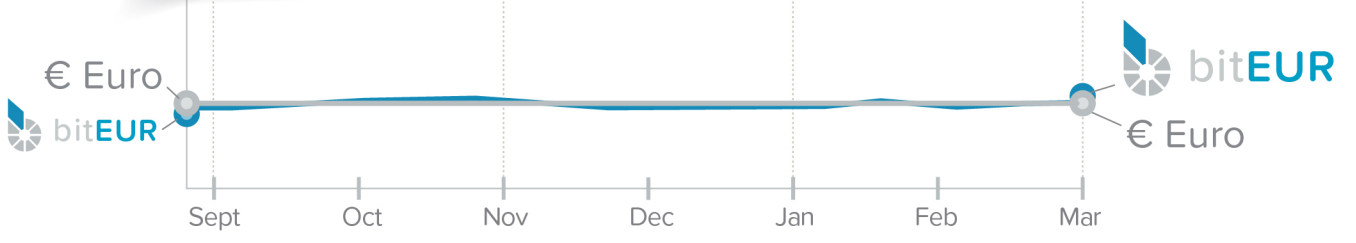
LEARN MORE **About BitAssets>**

BitAssets are **market-pegged** to currencies and other assets

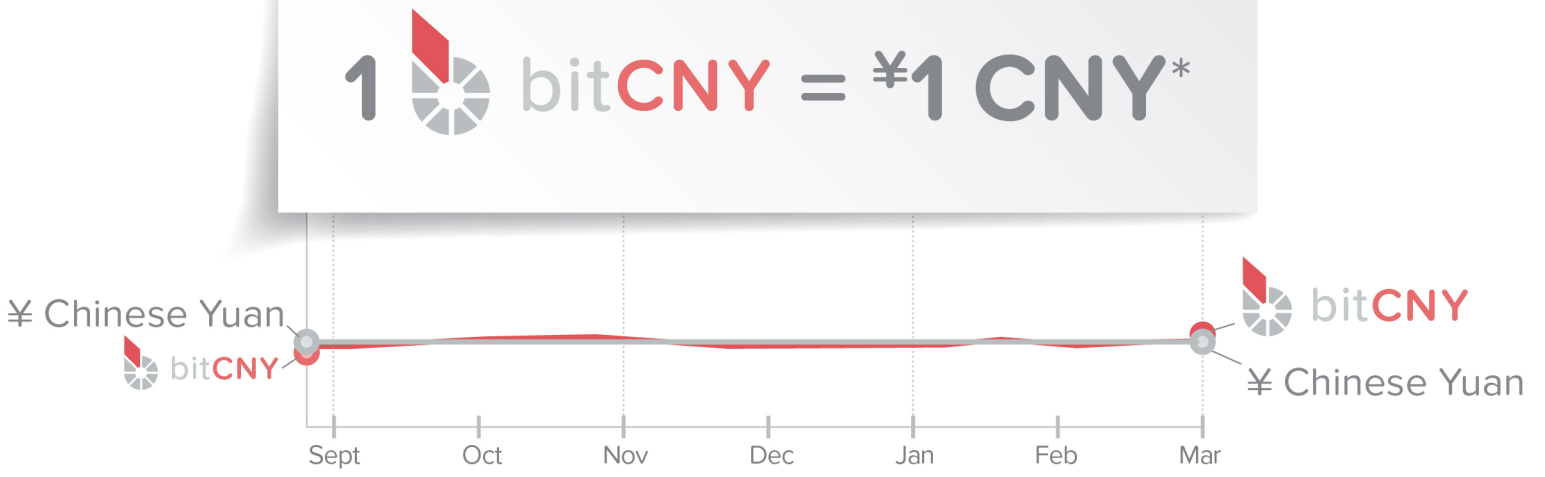
1 bitUSD = $1 USD*



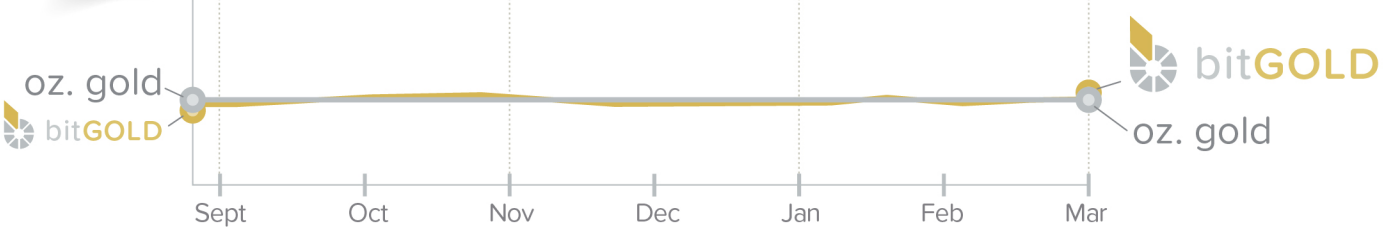
1 bitEUR = €1 EUR*



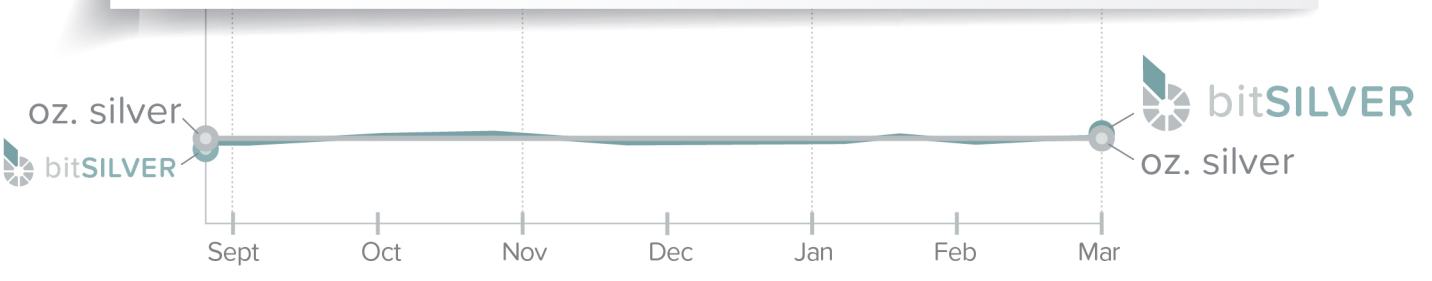
1 bitCNY = ¥1 CNY*



1 bitGOLD = 1 oz. gold*



1 bitSILVER = 1 oz. silver*

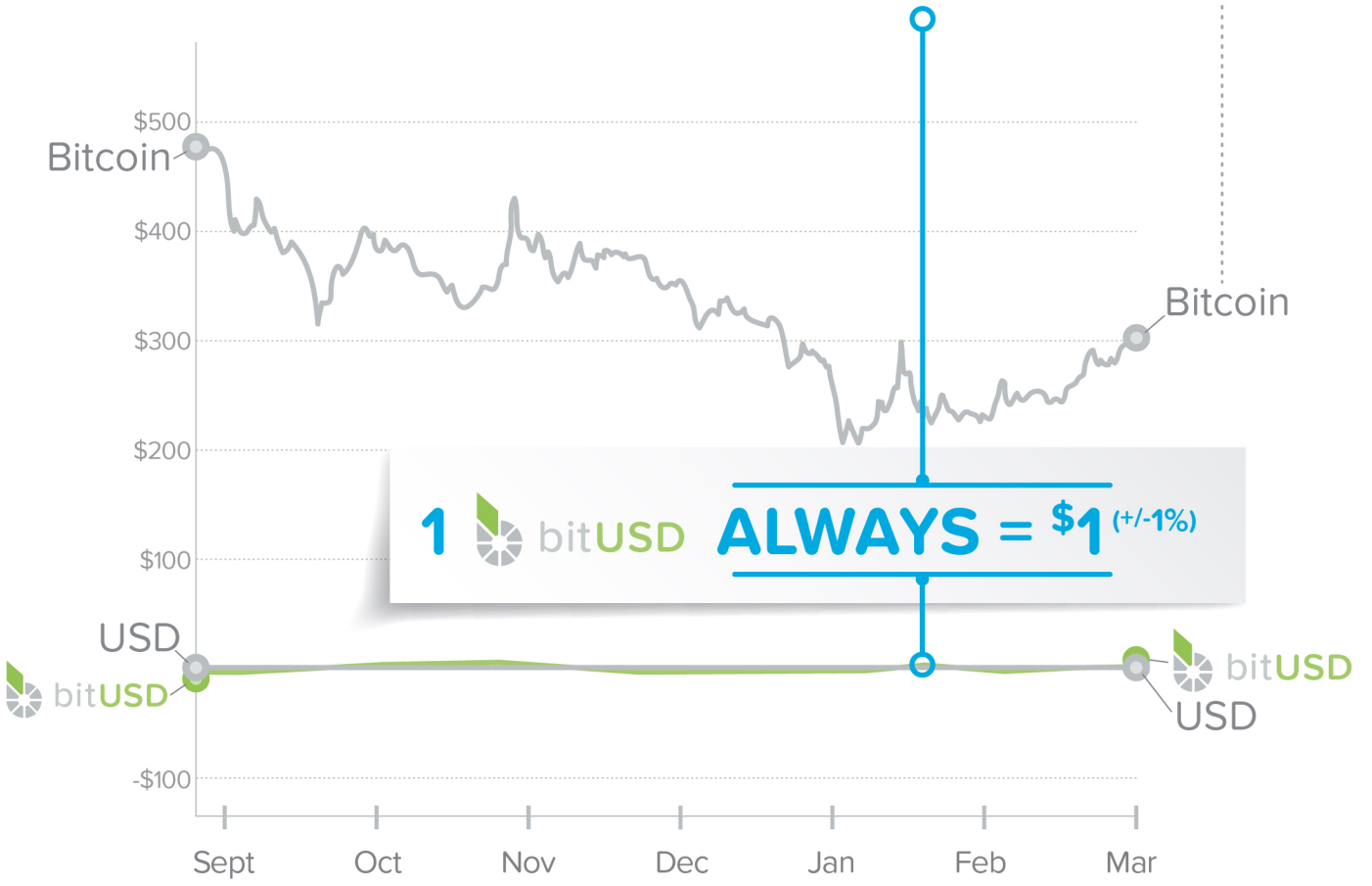


*Bitassets fluctuate slightly around the underlying assets' value but are guaranteed to be exchangeable at a 1:1 ratio within just a few days

LEARN MORE **About Market-Pegged>**

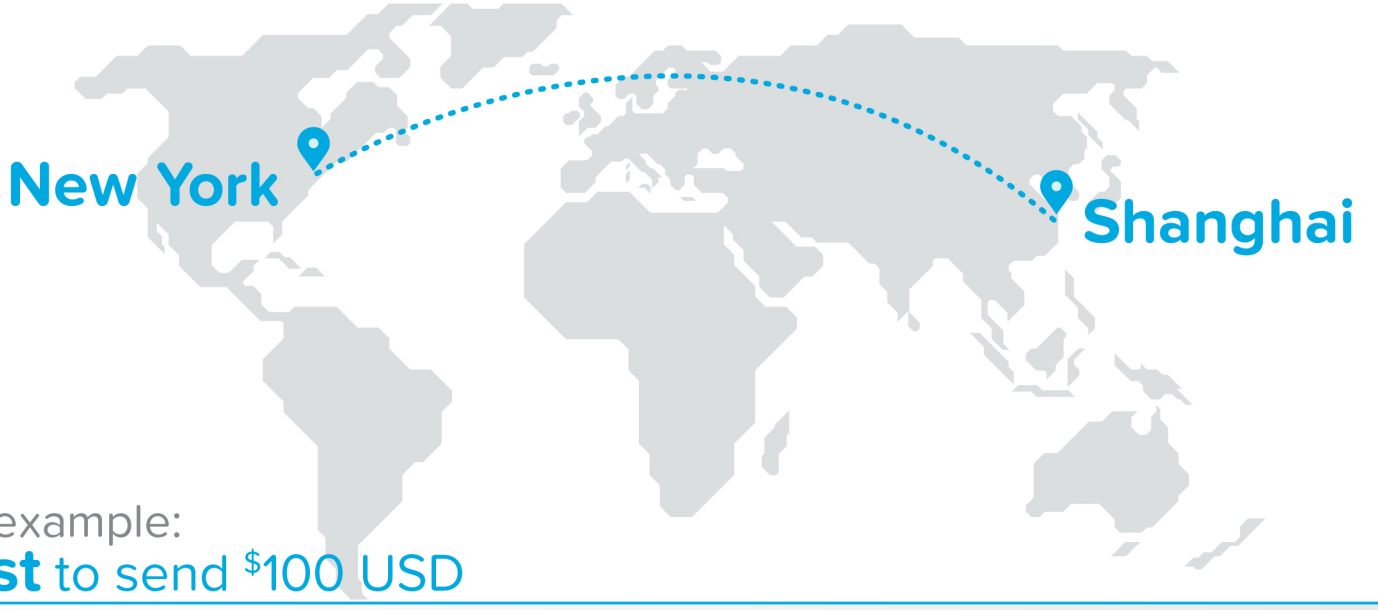
Unlike other cryptocurrencies,

BitAssets are **less volatile**



LEARN MORE **About Market-Pegged>**

BitAssets can be sent around the world for **minuscule fees**



For example:
Cost to send $100 USD

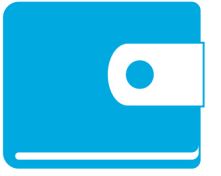
WESTERN UNION money transfer services	average bank wire fee (USA)	BitShare transaction fees on bitUSD
$12 fee	**$45.50 fee**	less than **$0.05 fee**
up to 3 days	2-3 business days	instant

LEARN MORE **About Transactions>**

No bank account needed

Simply,

Download the **wallet app** and connect to the internet



LEARN MORE **About Getting Started>**

Jack sends BitUSD to Jill

How it works:

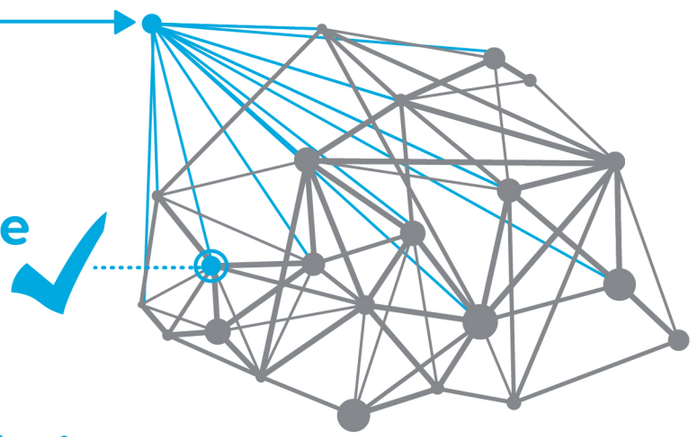
Jack → Jill
-$1000 +$1000

Via the wallet app,

Jack requests his account to be -$1000 BitUSD and Jill's to be +$1000 BitUSD

The transaction is **cyptographically signed** by Jack

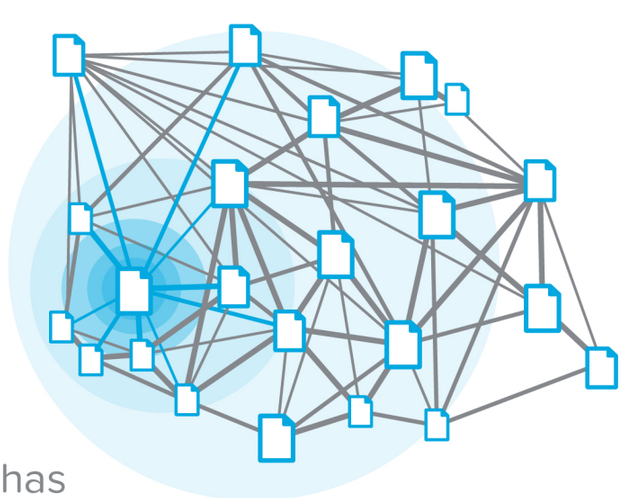
The transaction is **broadcast** to the BitShares network,



where it is **confirmed** by a randomly-assigned **delegate**

The transaction is added to a **ledger**
(called the blockchain)

The ledger is **updated across the entire BitShares network**



Everyone in the network has **the same copy** of the ledger that includes Jack's transaction

LEARN MORE **About Delegates>**

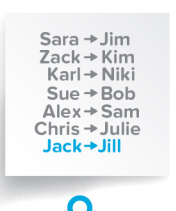
LEARN MORE **About The Blockchain>**

The blockchain is a ledger of transactions

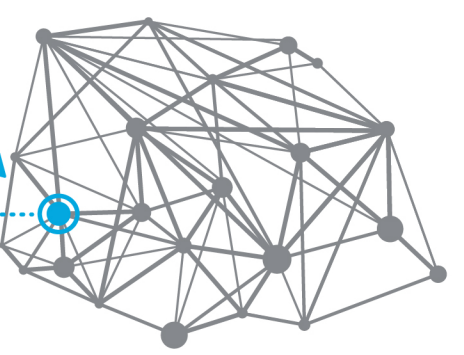
It is a **permanent**, **shared**, digital history that **cannot be altered** or deleted

It's a revolutionary technology pioneered by Satoshi Nakamoto

How it works:



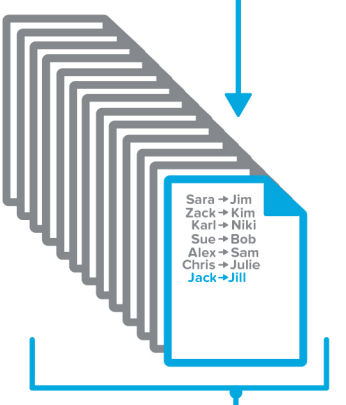
Every 10 seconds,
transactions are sent to a
randomly-selected delegate



there are 101 delegates
in the BitShares network

The delegate **confirms**
the transactions & packages
them into a **secure 'block'**

This block is **validated** by the other
100 delegates and **digitally 'chained'**
to **ALL** previous BitShares transactions



This continuously expanding
ledger is **the blockchain**

It is **secure** because it is signed
(confirmed) by an authority (delegates)

It is **consistent** because there is
only one valid blockchain that is shared

It is **representative** because the delegates
are elected by BitShares shareholders

LEARN MORE **About Delegates>**

LEARN MORE **About Delegated Proof of Stake DPOS>**

Delegates do the 'work'

Building and maintaining BitShares as a company*

How it works:

*BitShares is not really a company in the standard sense...but can function in a similar way

101 participants of BitShares are voted in as **delegates**

All those who own BitShares can vote for delegates

Those with the most votes receive a delegate position

Responsibilities include:

Package transactions into blocks and validate them
(done automatically through a cryptographic algorithm)

Maintain a consistent blockchain and verify every other delegates blocks for consistency

Publish price feeds (this facilitates bitAsset trading)

Provide a random number in each block

Improve the ecosystem
(through code development, marketing, design and other roles)

Delegates are **paid by the blockchain**

For most delegates, the payrate is to **cover costs** of running a block-producing server
(3% of the 50BTS currently paid out per validated block)

Delegates can campaign for a **higher payrate**
(typically this is used to develop the BitShares ecosystem: developers, marketers and designers)

'Employment' is a **democratic process**
The Board of Directors, CEOs, CTOs, marketing team, etc. are all elected by the BitShares Community. All are #paidbyprotocol

Delegates are held **accountable**

to BitShares shareholders and other delegates through:

Published statistics
See bitsharesblocks.com/delegates

News of their marketing and other efforts
Online forums and the monthly newsletter

If a delegate misbehaves or **fails to deliver** s/he is quickly voted out by shareholders
(this creates positive competition among delegates)

LEARN MORE **About The Blockchain>**

LEARN MORE **About Delegated Proof of Stake DPOS>**

The BitShares network uses a **Delegated Proof of Stake (DPOS)** system to ensure security

How it works:

DPOS is a mechanism to **achieve 'consensus'** about the content of a database
(in this case account balances, account names, etc.)

- BitShares and other cryptocurrencies (like bitcoin) use **similar blockchain technology**
  (which addresses how consensus is distributed: so everyone has the same data)
- There are differences in **how consensus is achieved**

bitshares™ vs bitcoin

	bitshares™	bitcoin
CONSENSUS METHOD	**Delegated Proof of Stake (DPOS)**	**Proof of Work (POW)**
TRANSACTION VALIDATORS (Validators are incentivized to maintain the network by being paid block rewards)	**Delegates**	**Miners**
	Voted in They essentially **work for the blockchain**	Miners 'pool' together to increase the **chance** to be rewarded
BLOCK REWARDS (How those running the system are 'paid')	Reward is **shared** by delegates	= Reward corresponds to the **percentage of total hash** (mining) **power** one has
	Delegates (people) are paid for **maintaining & improving** the system	Miners use **powerful computer equipment** to 'mine'
	Reward is **looped back** into BitShares to **enrich the environment**	Miners use a portion of reward to **pay for equipment and resource use** (electrical utilities) to run the computation
CONSENSUS EQUATIONS	**Pre-determined order**	**Luck**
	Efficient; based on trust of delegates	**Inefficient; no trust required**
	Works by relying on trust of the delegates that are voted in Delegates verify eachother System holds block producers accountable	Works by solving cryptographical math puzzles the hard way Because of the complexity of the algorithm, energy is wasted during to validation/mining
DECENTRALIZATION	**101** delegates	**Less than 10** mining pools
	Located **all over the world**	Located where electricity is cheap

LEARN MORE **About Delegates>**

LEARN MORE **About The Blockchain>**