

THE FUTURE OF FUNDING



BALLOTCOIN

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WHITEPAPER

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Overview

Commerce on the Internet has come to rely almost exclusively on financial institutions serving as trusted third parties to process electronic payments. While the system works well enough for most transactions, it still suffers from the inherent weaknesses of the trust based model. Completely non-reversible transactions are not really possible, since financial institutions cannot avoid mediating disputes. The cost of mediation increases transaction costs, limiting the minimum practical transaction size and cutting off the possibility for small casual transactions, and there is a broader cost in the loss of ability to make non-reversible payments for nonreversible services. With the possibility of reversal, the need for trust spreads. Merchants must be wary of their customers, hassling them for more information than they would otherwise need.

A certain percentage of fraud is accepted as unavoidable. These costs and payment uncertainties can be avoided in person by using physical currency, but no mechanism exists to make payments over a communications channel without a trusted party. What is needed is an electronic payment system based on cryptographic proof instead of trust, allowing any two willing parties to transact directly with each other without the need for a trusted third party. Transactions that are computationally impractical to reverse would protect sellers

from fraud, and routine escrow mechanisms could easily be implemented to protect buyers. In this paper, we propose a solution to the double-spending problem using a peer-to-peer distributed timestamp server to generate computational proof of the chronological order of transactions. The system is secure as long as honest nodes collectively control more CPU power than any cooperating group of attacker nodes.

What are POW and POS?

- A cryptocurrency has its own blockchain to store all the transactions that occurred.
- A proof of work/stake algorithm are different methods (or algorithms) to achieve consensus on which block will be added next to the blockchain
- Proof of work (POW) requires proof that work of some kind occurred. In the case of Bitcoin miners are required to do this work before any of their blocks is accepted by others.
- Proof of stake (POS) requires users that have a high stake at the currency (i.e. hold a lot of coins) to determine the next block. This has a high risk of some party achieving monopoly of the currency but there are several methods to prevent that (by allocating random stakeholders to agree on a new block, and others).

The main difference could be summarized in that proof of work requires burning an external resource (mining hardware) while proof of stake does not. Proof of work could be criticized that if price/Bitcoin rewards/fees drop then less people have incentives to mine thus the security of the system is reduced. Proof of stake could be criticized that since it is free to stake/add new blocks to the blockchain you could use it to

stake several similar coins at the same time (see "nothing at stake" problem in POS link above).

Examples:

- Bitcoin, Litecoin and many others uses the POW method.
- NXT, Bit Shares and others uses the POS method.
- Ethereum uses POW but is scheduled to change to POS.
- Peercoin uses a combination of POW and POS.

While other cryptocurrencies use one technology, the Ballot Coin uses both POW and POS technology as both the technologies are good in their own way. Ballot Coin is an open source, peer-to-peer, community driven decentralized cryptocurrency that allow people to store and invest their wealth in a non-government controlled currency, and even earn a substantial interest on investment. This means anyone holding Ballot Coin in their wallet will receive interest on their balance in return for helping maintain security of the network.

The Technology

The Blockchain technology uses global network of computers to jointly manage the database that records cryptocurrency transactions. It is managed by its network and not by any central authority. Blockchain is the structure of data that represents a financial ledger entry, or a record of a transaction.

The blockchain is a great invention which is invented by Satoshi Nakamoto and has evolved into something greater. It allows digital information to be distributed but not copied as blockchain technology has created the backbone of a new type of internet. For using blockchain, you don't need to know about how the blockchain works unlike internet.

The blockchain has developed and evolved by leaps and bounds and is revolutionized the financial needs and helped cryptocurrencies to flourish in the market. The blockchain is an incorruptible digital ledger of economic transactions that can be programmed to record not just financial transactions but virtually everything of value.

The blockchain network automatically checks in with itself every ten minutes and is a kind of self-auditing ecosystem of a digital value that the network reconciles every transaction that happens in ten minute intervals. Each group of transactions is

referred to as a “block” and it has two main properties which are:

- Transparent data which is embedded within the network as a whole, by definition it is public.
- It cannot be corrupted.
- The blockchain technology has three principles that combine to create a blockchain which are:
 - Private Key cryptography
 - A distributed network with a shared ledger
 - An incentive to service the network’s transactions, for record-keeping and security.

Ballot Coin is an advanced technology of a blockchain which is based on green mining POS technology. Through POS technology users can achieve better decentralization, transparency, privacy, cost-efficiency in their financials.

Why Ballot Coin

Ballot coin is a platform for the future of funding that is built on top of the Ethereum blockchain. It accelerates growth of start-up companies by offering tools and services that save both time and resources.

Investors can use services to divide their investments between various services like p2p loans, crowd funding, etc. the first version of the ballot coin allows startups to launch and manage crowd funding and ICO campaigns.

Ballot coin provides services for benefit such as:-

- Blockchain strategy
- ICO marketing
- Financial services
- Tokens and smart contracts
- Global payment
- Private transactions

Ballot Coin is a cryptocurrency and worldwide payment system that works without a central bank or single administrator. It is a peer to peer network and transactions that take place between users directly without any intermediary. All the transactions in it are verified by network nodes through the use of cryptography and is recorded in a public distributed ledger called a blockchain.

Ballot Coin can be exchanged for other currencies. Transactions are made by digitally exchanging anonymous, heavily encrypted hash codes across a peer to peer network which monitors and verifies the transfer of Ballot Coins between users.

Ballot Coin can be traded for goods and services with vendors who accept cryptocurrency as payments. Ballot Coin has many features such as:

- Privacy and access control
- Better security
- It cut out the middleman
- It can be access by anyone in every market
- It is self-sustaining
- It reaches globally

Ballot Coin is more than just a coin. It's a technology poised to disrupt the entire payment industry covering peer to peer payments and mass payments. It is like of a revolution in the peer to peer cryptocurrency payment world.

Traditional payment system requires efforts to manage & maintain the systems. While in the case of Ballot Coin, less maintenance with nearly less transaction fees puts up maximum benefits to the users of Ballot Coin.

Ballot Coin offers not only a decentralized payment mechanism based on the blockchain, but also a sustainable

economy that produces, manages & securely send/receive large number of transactions each & every second. Last but not the least, the Ballot Coin is just going to be the first leading peer to peer cryptocurrency to manage the high value instant payments.

Disclaimer

The whitepaper does not provide any type of legally binding contract. Ballot Coin limited does not accept any legal liability arising from the material contained in this whitepaper. Anyone looking to invest in cryptocurrency should seek professional advice regarding tax regulations in their local area.

The material provided here represents our current plans for the cryptocurrency platform. The details may change (including ICO distributed plans) and should not be considered finalized. Ballot Coin co-founders and employees do not offer investment advice under any circumstances. No entity is legally bound or contractually obligated by the transferring of Ballot Coin tokens or fiat currency. Contributions from investors should be seen as that, a contribution towards the project.

Ballot Coin limited and all persons associated with the company are in no way arranging, dealing or advising on regulated financial investments.

Conclusion

It is believed that in future government or financial institutions will have no choice but to pass or legalize various cryptocurrencies.

Ballot Coin will revolutionize the 21st Century economy and how financial transactions are carried out. In future, we can expect to trade in digital money without having to worry about banks, interest rates, the printing or minting process, and any other fees and processes which have become a general part of today's banking systems.

You don't send any personal information when transacting in Ballot Coin. On the other hand, when dealing with paper money, your account number along with your ID number, social security information, balance, and address are transferred between banks and systems. You can only HOPE that your information remains safe. The transactions pass through a clearing house where several people have access to your most sensitive data. For this reason, approximately 5% of US residents have had their identity stolen at least once in their lives. In Ballot Coin-driven future, identity theft will be consigned to history.

There are many more benefits of Ballot Coin than can fit into a single article. While it is not the perfect solution to all the

worlds' monetary problems, its benefits far outweigh the challenges this currency has to overcome. The convenience and security it offers will mean that more and more individuals, businesses and governments will have little choice but to adopt Ballot Coin in one form or another.