1. **CRYPTOCURRENCY** - a digital (virtual) money designed to work as a medium of exchange just as any other currency.

2. **MINING** - computational processes that are rewarded in cryptocurrency.

3. **BLOCKCHAIN** - a digital ledger in which transactions made in bitcoin or another cryptocurrency are recorded chronologically and publicly. This is a complete list of all transactions made whether earned, spent, or saved.

4. **WALLET** - Each individual has a public and private “key” to give or receive cryptocurrency. Your wallet does not actually hold any currency, instead it is a software program that holds these keys and gives you access to the blockchain ledger so that you can check your account balances and transfer or receive cryptocurrency.

5. **PRIVATE KEY** - a sophisticated form of cryptography that allows a user to access his or her cryptocurrency. A private key is an integral aspect of cryptocurrency security. It helps to protect a user from theft and unauthorized access to funds.
What is CRYPTOCURRENCY?

Cryptocurrency is a digital form of money. Much like traditional forms of currency, it can be used to pay for goods and services wherever it is accepted. It can also be earned, traded, or purchased like traditional currencies. Cryptocurrency differs from traditional money because it is not held in banks or issued by governments, therefore it is not centralized to a specific region. Created in 2009, Bitcoin was the first cryptocurrency and is the most well known. There are many others, including Litecoin, Ethereum, and Zcash.

The value of cryptocurrency fluctuates according to supply and demand, and many of them are traded on
This can be very confusing and has kept many people away from the cryptocurrency market. The simple answer is coins are “mined” by individuals that use computer systems to figure out long and difficult mathematical equations. These individuals are then rewarded for solving the equations with Bitcoins. It’s similar to if you were hired to paint a home. You would be compensated for your time, materials, and investment in tools to do the job.

The equations that are earning cryptocurrencies (mining) are extremely valuable because they consume so much time and energy to work through. In essence, Bitcoins are earned by converting electricity into enormous strings of valuable software coding. As time goes on, the equations become more complex and require much larger computer systems called “mines” to complete equations. These “mines” can cost millions of dollars to set up and require massive amounts of electricity to run. Simply put, electricity and computing power are exchanged for cryptocurrency.
VIRTUAL & DECENTRALIZED
They are virtually held and created, meaning they are completely digital. This means they are not issued, minted, or regulated by any government. Governments often decide and control the value of the money in a particular region or country. Cryptocurrencies, on the other hand, are controlled by simple supply and demand. Your bitcoin “wallet” cannot currently be seized or controlled by any government. This is a huge threat to banks because it threatens their value and existence as a system of logging and controlling world currencies.

IDENTITY THEFT
Cryptocurrency is used to purchase items in a “push system”, meaning you send the exact amount to the merchant (or wallet holder) to purchase the item. In our credit/debit system you give the merchant access to your full credit line and information, or the “pull system,” meaning the merchant is in charge of “pulling” the right amount from your account and protecting your information. Each time you make a purchase, you are giving your account information over and hoping they are moral and trustworthy enough to “pull” the correct amount.

INTERNATIONAL TRADE & ACCESS
Cryptocurrencies are currently available to anyone who has access to the internet. This is important because many people around the world suffer under the instability of the currencies available in their country and they have limited access to banking systems. With cryptocurrencies, they can purchase with or trade their currency with little to no fees and inhibitive regulations.

COUNTERFEIT RESISTANT
It is too demanding and inefficient to counterfeit this type of currency, making it counterfeit resistant, unlike paper currency.

THE SYSTEM IS SELF CONTAINED & SELF GOVERNED
All transactions are paid for and governed within the mining system and recorded in a ledger called the “Blockchain.” Each individual user has their own personal blockchain ID (both public and private) called “keys.” Each user also has a “wallet” to hold those keys. All transactions are made through this ledger “person to person.” This is important because it dramatically decreases fees and reduces the opportunities for identity theft.
Yes, you need one if you want to use cryptocurrencies. Unlike the tangible wallet that you keep money in, a crypto wallet does not store any money at all. It is actually a software program that stores your identity “keys” that give you access to your cryptocurrency. These keys are your identity in the digital ledger or blockchain.

There are a number of different types of wallets available. Remember that your cryptocurrency is unlike a traditional bank account, so if you lose access to your keys you cannot use the cryptocurrency. This makes choosing a wallet that fits your style very important. Many wallets give you the ability to purchase items, exchange traditional currency into cryptocurrency, and transfer cryptocurrency to others.
1. **Open a Crypto Wallet**
   To begin, you’ll need to open a crypto wallet. As stated previously, this wallet is digital and can be accessed online. Coinbase is a popular wallet, and makes the process easy.

2. **Buy Cryptocurrency**
   Now that you’ve got your wallet set up, you’re free to buy your first cryptocurrency! That means you can buy whatever currency you’d like--Bitcoin, Litecoin, Ethereum, etc.

   You can buy it through Coinbase or through the specific cryptocurrency's website using your wallet login. Once you buy, you can sell, trade, or hold onto your new currency.

3. **Earn Money**
   Just like with stocks, cryptocurrency values increase and decrease with time and the market. However, if you learn how to watch for these changes, you can make more money through your investment.