E-Dinar Coin

White Paper

A new generation sustainable DPOS cryptocurrency
THE COMPANY

Monthly E-Dinar Coin processes over 50,000 purchase and sale transactions by over 300,000 users who decided to give their preference to a more efficient, transparent, and eco-friendly alternative to obsolete and corrupt POW cryptocurrencies as well as fiat money.
Overview

E-Dinar Coin was founded in August 2016 and managed to become one of the world’s most rapidly growing DPOS cryptocurrencies with the pool of over 500,000 users and open representative offices on two continents.

Our main aim is to provide the world with a more just, easy-to-use, and greener financial tool than common cryptocurrencies based on the POW algorithm and a more democratic, stable, and safer instrument than fiat money.

Story

The story of E-Dinar Coin started back in November 2015 when a group of Malaysian developers who owned the same-named online P2P cryptocurrency exchange platform started toying with an idea of taking the best of Blockchain technology and incorporating it with a variety of newer features which have never before used on the cryptocurrency market.

The goal was to transform it into a decentralized financial device that could be used by any person irrespective of their technical proficiency and would be quick, cheap-to-use, inclusive, secure, and transparent as well as offer higher ROI than both conventional banks and other cryptocurrencies without the possibility of internal corruption and monopolizing, which lead to unfair distribution of funds, high commissions and long transaction approval times, and red tape.

Later in 2016 it was decided to create a single-purpose E-Dinar Coin blockchain based on a redesigned infrastructure of BitShares 2.0 system\(^1\) for enhanced security of the user data, higher transparency, and maximizing dividends of the users via DPOS. As soon as the recoding was finished, an initial emission of 2,500,000,000 EDR coins was carried out.

The company and product’s name was chosen for a reason and has a sacral meaning to it. Denarius\(^2\) was one of the most widely used coins on the territories of the Roman Republic\(^3\) and the Roman Empire\(^4\), giving birth to coins like pennies, pfennigs, deniers, and so on.

Apart from this, word *denarius* is connected to Spanish *dinero*, Portuguese *dinheiro*, and Italian *denaro*, which are words that all mean *money*.

Currently dinar, also called denar, is the official currency of an array of countries located in the Middle East, whilst linguistically it became associated with prosperity, unity, and value to many people all around the world.

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\(^1\) [http://docs.bitshares.org/bitshares/index.html](http://docs.bitshares.org/bitshares/index.html)


\(^3\) [https://en.wikipedia.org/wiki/Roman_Republic](https://en.wikipedia.org/wiki/Roman_Republic)

\(^4\) [https://en.wikipedia.org/wiki/Roman_Empire](https://en.wikipedia.org/wiki/Roman_Empire)
As of November 2016, just four months after the launch of the E-Dinar Coin blockchain, the number of active participants reached over 500,000 whilst the amount of monthly transactions capped at 500,000.

**Company structure**

E-Dinar Coin was registered in London, the UK, as Blockchain E-Dinar Cryptocurrency Ltd. on June 28, 2016.

Blockchain E-Dinar Cryptocurrency Ltd. (company registration number 10253897)\(^5\)

Legal and physical address: 71 Queen Victoria St, London, United Kingdom, EC4V 4AY

**Representative offices**

Apart from our headquarters located in London, the United Kingdom, E-Dinar Coin also has representative offices in Malang, Indonesia, and Maharashtra, India.

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\(^5\) [https://beta.companieshouse.gov.uk/company/10253897](https://beta.companieshouse.gov.uk/company/10253897)
THE CRYPTOCURRENCY

E-DinarCoin fuses the best of what the traditional cryptocurrencies offer—decentralization, transparency, and integrity—with more secure, robust, and inclusive features of DPOS system for a more just and simpler distribution of coins with the currently minimum possible energy usage requirements and without harming the environment.
Overview

The world’s first cryptocurrencies based on the POS⁶/DPOS, or Proof-of-stake and Delegated proof-of-stake systems, like Peercoin, BlackCoin, Nxt, and Bitshares started appearing in 2012 and later on as an alternative to POW⁷, or Proof-of-work systems, which due to their technical peculiarities tend to be corrupt, vulnerable to attacks, less democratic, and very little energy efficient when viewed progressively.

In order to earn coins in POW cryptocurrencies users need to continuously keep their PCs online—which must be fitted with powerful and overly expensive GPUs—and hash blocks in the Blockchain network to ensure its security, hence proof-of-work. Since there are various mechanisms in POW systems that make it more and more difficult to mine blocks with time, it’s leading to higher energy consumption and appearance of miner monopolies.

DPOS system, which E-Dinar Coin is based on, resolves this issue and reaches the consensus within the blockchain through trusted delegates who process and sign blocks which include records of the user mining activity according to the availability of coins on their account balance, hence delegated proof-of-stake.

This way the whole platform remains coherent, providing inclusive and equitable rights to all of its members to earn, and requires literally no energy spending.

<table>
<thead>
<tr>
<th>Feature</th>
<th>E-Dinar Coin</th>
<th>POW cryptocurrencies</th>
<th>POS cryptocurrencies</th>
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<tbody>
<tr>
<td>Decentralized</td>
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<td>Anonymous</td>
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<td>Transparent</td>
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<td>Vulnerable to attacks</td>
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<td>High ROI &amp; Inclusive</td>
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<td>Referral system</td>
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<td>User-friendly</td>
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E-Dinar Coin takes the best of DPOS algorithm and improves on it by completely redesigning it in order to make the system understandable, easy-to-use, and resource efficient.

The ultimate aim of E-Dinar Coin is to serve as a decentralized cryptocurrency in which every user—no matter their knowledge or experience in IT, language, and financial circumstances—will be the creator, owner, and manager of their funds that will not be

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exposed to tampering from the outside and will remain are non-controllable by any financial or governmental body.

**Strengths and key features**

**High ROI**

Active users of the E-Dinar Coin wallets can stake and earn by creating new coins.

The only requirement that must be met to be able to become a stakeholder—which was added in order to curb possible inflation—is to have at least 1,017 EDR in the wallet and make a daily internal or external transaction in the amount of at least 1 EDR not considering the commission fee.

This way, if a node has a minimum of 1,017 EDR in their wallet and makes an internal or external transaction of at least 1 EDR, their active stakeholder status will be activated and they will be able to stake. This daily stakeholder status will be valid within 24 hours following the transaction or until the node is provided their daily stake ROI.

The ROI amounts to 0.65% of the total of coins that a user has in their wallet.

**Inclusive coin distribution**

Coins are distributed among all active members of the network

**Low commissions**

Transaction fees are fixed at 0.001 EDR thanks to the delegate system

**Quick transaction processing**

Currently every transaction in E-Dinar Coin cryptocurrency is processed and confirmed within the maximum of 5 to 15 seconds. This is one of the best results among the similar cryptocurrencies and it ensures a smooth and convenient user experience for all members of E-Dinar Coin community.

**Delegates**

Delegates, being an integral part of the blockchain, are distributed trusted servers—assigned to the biggest Asian exchange houses—which have shown the highest degree of security and reliability. Delegates play a role of the account ledger for all transactions in the blockchain network.

These delegated servers send information about the transaction and network status to the wallets of all users in the E-Dinar Coin blockchain. This way every owner of the E-Dinar Coin wallet can track all activity in the blockchain network.
Democratic and non-corrupt

DPOS is the quickest, most effective, and most decentralized algorithm that uses the most flexible consensus finding model. DPOS makes it possible to perform a voting through involving all stakeholders in order to find consensus about the most important issues in the network in a just way.

All network parameters, from fees to the possibility of setting the transaction processing times, may be configured through delegates. The most sensible selection of the block singers ensures for quick transaction processing times that last from 5 to 15 seconds.

And probably the most important thing is that such consensus reaching algorithm is meant to protect all members of the network from interventions in the blockchain network by evildoers and making changes in its algorithms.

Security

Organizing attacks on the system is financially unviable and virtually impossible due to the DPOS technical peculiarities.

Transparency

Every transaction can be quickly found and reviewed on E-Dinar Coin blockchain available to all users.

Anonymity

All data in the system is encrypted using an Elliptic Curve Digital Signature Algorithm (ECDSA) on the curve secp256k1.

Efficiency

Wallets that are not active cannot stake and therefore the network load from such wallets is minimized, making it possible to apportion the available power among all other members of the network depending on their needs. This, in its turn, will prevent the possibility of increasing energy consumption for processing of information as well as the possibility of increasing the transaction processing time due to the influx of the new users.

Eco-friendly and energy efficient

Earning coins through delegated proof-of-stake makes usage of expensive and energy consuming equipment unnecessary, reducing the amount of carbon dioxide emissions.

The software of E-Dinar Coin, both PC and mobile, doesn't require high energy spending.

Lightweight wallet

Instead of being stored on your PC and wasting your HDD space, blocks are located on highly secured nodes.
Advanced referral system

An elaborate 7-level referral system ensures constant flow of new users and growth of proceeds of all network members at an exponential rate.

User-friendly

Excellent multi-language customer support services that work 24/365.

Exchange platforms

Currently E-Dinar Coin can be exchanged to a wide variety of cryptocurrencies and fiat money and vice versa at the world’s largest exchange platforms as well as at the E-Dinar Coin proprietary P2P exchange house.

Exrates
lk.exrates.me/dashboard

Alcurex
alcurex.com/#EDR-BTC

Dabtc
dabtc.com

Livecoin
livecoin.net/en/trade/index?currencyPair=EDR%2FBTC

Btw18

Btc-up
https://btc-up.com

Allcoin
https://www.allcoin.com

Virtualworldland

SpaceBtc
https://spacebtc.com

Bit-Changer
https://bit-changer.net

Yanziduihuan
www.yanziduihuan.com

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8 As of November 2016
Figures

E-Dinar Coin was founded as a P2P exchange house in November 2015 and adopted its proprietary Blockchain platform in the middle of 2016.

As of November 2016 E-Dinar Coin is about...

Over 600,000 active users
Over 120,000 monthly transactions
Over 5000 daily registrations
Almost 1 mln total transactions

Which made it possible for us to...

Reach daily trading volume of over $1,000,000, which places us among top 15 cryptocurrencies by daily trading volume on coinmarketcap.com website
Open three representative offices on two continents
Become one of the world’s most rapidly growing DPOS cryptocurrency

THE TECHNOLOGY AND BUSINESS SYSTEM

Global trends in the way people treat and manage money have seen a drastic change over the past decade due to the instability in the international finance markets that waywardly react to many alarming geopolitical issues and thought-provoking fiat monetary policies around the world of the 2010s.

Presumably updated financial instruments offered by banks following the 2008 financial crisis and appearance of Bitcoin POW cryptocurrency in 2009—which as of now is virtually impossible to earn without significant investments in mining equipment and electricity spending that is huge—turned out to be ineffective.

E-Dinar Coin blockchain technology backed by DPOS system ensures that the coins are distributed evenly and regularly between all active stakeholders of the cryptocurrency that help to reach its consensus and make it secure, avoiding the need to spend money on GPUs and harm the environment, through a democratic system of voting for delegates that anyone can participate in.

At the same time, it’s unique business system that features a multi-level referral program—implemented to control inflation thanks to the natural growth by constant inflow of new stakeholders—makes E-Dinar Coin the most stable, profitable, and eco-friendly cryptocurrency on today’s market.

Delegated proof-of-stake

As it was mentioned above, POW systems use real energy produced by the GPUs in order to mine coins whilst users of cryptocurrencies based on POS systems must only have a
certain amount of funds in their wallet in order to earn and help blockchain reach a distributed consensus.

By saying a distributed consensus, a term which is used in computer science and cryptocurrencies, we understand a mutual consensus between all members of a network, blockchain in our case, on what is false and what is correct.

When we talk about cryptocurrencies, the concept of false and correct has to do with validity of the transaction and coin data that a block contains. If the data in the last block is false and is not agreed upon by the network nodes to reach the distributed consensus, it may lead to various kinds of attacks that jeopardize the system integrity or result in double spending.

And though POW based cryptocurrencies present a sensible means to reach the distributed consensus through mining, the system requires enormous costs associated with purchase of state-of-the-art mining equipment and energy spending for its well-functioning.

POS based cryptocurrencies use a completely different as well as a much more sustainable and eco-friendly model by substituting physical mining with staking coins on a wallet and reaching the distributed consensus between all users of the system this way.

However, though POS systems allow for getting rid of highly complex computations made by users through mining and therefore avoid wasting energy, they still remain far from the ideal due to the security vulnerabilities that may be caused by centralization of the system due to the wrongdoings of the most powerful stakeholders.

DPOS algorithm that E-Dinar Coin uses offers a crucially important element—called delegates—that prevents the system from becoming centralized and corrupt on account of misbehaving network nodes that, deliberately or not, make the system insecure.

Delegates are common people who may be chosen via a democratic vote by the stakeholders for purposes of securing the network through validating the blocks, making sure that the information in them is correct, and signing them.

These delegates, which are also called witnesses, are elect via the general vote for purposes of network integrity supervision, minimizing the risks of centralization through taking on the role of block signing in an unbiased way. In such manner, stakeholders still can stake and receive ROI but choose the most responsible delegates, who will ensure that the system integrity stays intact and receive a compensation in form of coins, instead of concentrating wealth in their hands and presenting security threats to the whole blockchain.

Apart from all other things associated with the block validity, delegates must also ensure that the previous block was signed by a trusted node. This way a lack of necessity to wait for the distributed consensus from all members of the network allows for cutting the transaction and block signing times to the minimum, precisely 2.5 seconds in E-Dinar Coin.

Since delegates are paid for their job and do not have the incentive to manipulate fees because they can be downvoted, and as opposed to physical mining in POW systems where the most powerful miners can set higher transaction fees at their sole discretion,
commissions on all internal transactions in E-Dinar Coin are fixed at a low rate of 0.001 EDR.

**Decentralization**

Just like any other cryptocurrency, E-Dinar Coin uses a public decentralized ledger commonly known as a blockchain for storing data records as blocks in a permanent and successive way. The correct order of blocks is ensured because each block in a blockchain is timestamped and includes a link to the previous block.

The blocks cannot be tampered or altered as well as present high byzantine fault tolerance thanks to encryption of all data and its uniform distribution across the network’s nodes. It is therefore must be considered an autonomous financial system free of tampering because of a lack of centralized elements where such data are stored.

Full nodes in E-Dinar Coin cryptocurrency—which can be run by any user of the system—store a copy of the blockchain, but there is no official full copy of the blockchain stored in a centralized way. This makes the data in the blockchain incorruptible and easily traceable for enhanced transparency.

**Transparency**

E-Dinar Coin uses a public access permissionless blockchain that allows for improved scalability of the whole system and makes it possible to trace any transaction within the ledger to its origin.

This is a common peculiarity of all cryptocurrency blockchains, but the openness of the ledger records to the general public is not what makes it really transparent.

As we said in the previous section, all data within a blockchain are decentralized and encrypted and therefore cannot be manipulated. If we draw a comparison between a centralized banking institution and a blockchain, the former will not only restrict you to review or track any transaction in the network to its origin, it will also present risks of being tampered or corrupted by people who have a centralized access to the system.

Remedying these wrongdoings will by all means involve carrying out an audit of the whole system over a certain period of time to find the vulnerability by tracing the transactions to the origins via looking at them in a regressive order.

This issue has been already dealt with in E-Dinar Coin, just like in all other cryptocurrencies, because of the intrinsically auditable nature of a blockchain without the need to spend large amounts of funds on performing a single-purpose third-party audit, the fairness and transparency of which cannot be ensured.

**Privacy**

When privacy is mentioned in association with cryptocurrencies, the chances are that anonymity is meant instead. In order to address this issue, let’s at first define what privacy really is.
In computer science privacy is defined as ‘the relationship between collection and dissemination of data, technology, the public expectation of privacy, and the legal and political issues surrounding them.

However, because of the transparency appropriate of all cryptocurrency blockchains, information on all transactions within it—traceable to its origin—is publicly available online. This way we should not refer to any kind of cryptocurrency, E-Dinar Coin included, as anonymous rather than as private.

Since E-Dinar Coin funds are not directly associated with real people but wallet addresses, the whole system should be considered as private.

**Security**

There are numerous types of security concerns when it comes to cryptocurrencies, which is especially relevant to networks based on POW and POS systems.

One of the most massive attack types that would theoretically cause a great damage to the integrity of the system is a 51% attack, which occurs if one single node—a mining entity in POW and a staking entity in POS—controls at least 51% of the total network's resources.

Thanks to the system of delegates occurrence probabilities of a 51% attack are close to zero due to the large pool of E-Dinar Coin stakeholders. Performing a 51% attack in a DPOS system will mean that an evildoer will need to replace at least 51% of all witnesses.

Since the delegates sign blocks at the rate of 2.5 seconds each, the network vulnerability featuring a delegate failing to produce a block on time will be detected by other delegates, which will back the vulnerable delegate and sign their block for them.

The block intervals at E-Dinar Coin are relatively short and this is why other delegates will be able to sign the delayed block before it becomes irreversible within the blockchain. Let us specify that a block and the data within it become irreversible in E-Dinar Coin blockchain when it’s been signed by at least 66% of delegates.

**Block interval and irreversibility**

![Block interval and irreversibility chart](image)
This way, by currently having 11 delegates\(^9\) in E-Dinar Coin and the block interval of 2.5 seconds, the block will become irreversible in about 18 seconds, which is much longer than the block interval.

Apart from it, such quick block signing intervals exclude the probability of a fork entering the system as an alternative transaction.

Corruption and misdoings among the delegates are possible but will be quickly ruled out by the stakeholders themselves through a democratic system of downvoting the misbehaving delegate and ranking them down out of the list of active delegates.

**Delegates and voting system**

The main advantage of any cryptocurrency is decentralization and lack of control of a single entity or institution over the whole system. Following the launch of Bitcoin in 2009, cryptocurrency developers tried to improve on the platform that Satoshi Nakomoto created because of appearance of mining pools, members of which tend to control the fluctuations of transaction processing fees, block production speed, and transaction approval processes therefore jeopardizing the decentralization of cryptocurrencies that use POW.

Proof-of-stake cryptocurrencies streamlined the system by avoiding the need to waste energy in order to produce blocks and ensure the security of the blockchain, but POS platforms still present significant—although lower—risks that a node may take control of the blockchain through a 51% error.

DPOS cryptocurrencies resolve this issue by adding delegates in order to make the cryptocurrency more decentralized, eco-friendly, democratic, and inclusive.

Currently all delegates at E-Dinar Coin cryptocurrency are delegated servers that were specially assigned to the biggest and most trusted Asian exchange houses. Just like common delegates, these servers hash information, process all transactions of the network users, and and confirm all financial operations.

Use of such delegates servers makes it possible to handle several problems at the same time.

Firstly, delegated servers ensure that the transaction processing workflows are performed in an efficient way. This guarantees that the transactions are processed quickly and never take longer than 15 seconds to be confirmed.

Secondly, use of such servers eliminates the possibility of a human error, which would have been inevitable—although seldom—in DPOS system that employ common delegates who may be offline, go inactive, or have certain problems with their Internet connection, therefore leading to a security breach and failure in reaching the consensus.

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\(^9\) As of November 2016
Coin distribution

Since cryptocurrencies are not based on anything but the number of registered users and the total coin mass owned by the users as well as its acceptance on the financial markets, it was decided that the initial emission of coins would total in 2,500,000,000 EDR and the daily fixed staking rate would be 0,65% or 19,5% to 20,15% per month. The maximum number of coins that may be issued is 9,999,999,999,999 EDR.

The only requirement that must be met to be able to become a stakeholder—which was added in order to curb possible inflation—is to have at least 1,017 EDR in the wallet and make a daily internal or external transaction in the amount of at least 1 EDR not considering the commission fee.

This way, if a node has a minimum of 1,017 EDR in their wallet and makes an internal or external transaction of at least 1 EDR, their active stakeholder status will be activated and they will be able to stake. This daily stakeholder status will be valid within 24 hours following the transaction or until the node is provided their daily stake ROI.

The stake rate is of a genesis nature and therefore cannot be changed through approval voting by the stakeholders, making E-Dinar Coin much more democratic, inclusive, and profitable than other cryptocurrencies.

Coin burning

At E-Dinar Coin, a concept called coin burning is used to reduce inflation and stimulate coin demand, which leads to constant increases in the market price of the cryptocurrency. Coins can be burned, or simply destroyed, in two different ways.

First and foremost, all transaction fees in the system (0.001 EDR) are destroyed by being sent to an illogical address that is not and will never be assigned a private key. This way, the transaction amount still remains within the system but cannot be either accessed or spent by anyone.

Multi-level referral system

Multi-level referral system that E-Dinar Coin uses is yet another way to counter-balance inflation and make the cryptocurrency self-consistent by ensuring a constant flow of new users.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Percentage of referral bonuses from all lines</th>
<th>Minimum wallet balance</th>
<th>Requirements for approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>25%</td>
<td>200 EDR</td>
<td>Min. 5 referrals w/ 100 EDR each</td>
</tr>
<tr>
<td>B</td>
<td>20%</td>
<td>500 EDR</td>
<td>Min. 5 first lvl referrals and 25 second lvl referrals w/ 100 EDR each</td>
</tr>
</tbody>
</table>
E-Dinar Coin is one of the few cryptocurrencies in the world that—apart from funds that can be earned by staking—offers a seven level referral program with bonuses.

The referral system was added into the system in order to increase the number of EDR coins in a natural way, which when coupled with the limited number of coins being able to be issued, offsets the negative impact of inflation by leading to the market deflation and minimizes the probability of tragedy of the commons.

Sustainability and eco-friendliness

Since there is no need to physically mine coins by using GPUs under DPOS system, which E-Dinar Coin is based upon, it presents no threats to the environment and therefore may be considered 100% sustainable.

At E-Dinar coins are made only thanks to a certain quantity of funds that a stakeholder must have and the transactions they make. In POW systems miners create mining pools that are often comprised of dozens of thousands of extremely powerful GPUs that require enormous amounts of energy to be wasted daily.

Apart from it, mining in all POW based cryptocurrencies becomes more and more difficult with time because of the total limit of coins that may be issued over a certain period of time. Under POW it is impossible not to mine because in this case the nodes in the system won’t be able to reach the distributed consensus and the blockchain would be exposed to hacker attacks.

Yet another thing that makes E-Dinar Coin unique and the most eco-friendly and green cryptocurrency so far is that a part of the profits is regularly donated to charity funds around the world as well as used for donations to projects engaged in the environmental protection.

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10 https://en.wikipedia.org/wiki/Tragedy_of_the_commons
THE COMPETITIVE ADVANTAGE

E-Dinar Coin is the most democratic yet secure way to earn and control money without the need of using a central authority.

By solving a wide variety of problems that both fiat money and cryptocurrencies present—centralization, corruption, lack of transparency, efficiency, and user-friendliness, vulnerability to attacks, excessive use of resources, and low ROI—it gives the complete rights over how the money functions to its holders, the people.

It’s the answer to nowadays’ world ridden with instability and a true answer to the challenges presented by tangible and intangible financial tools people are compelled to use due to a lack of a realistic alternative.

Current situation: Fiat money and banking system

“Money's a matter of functions four,
A Medium, a Measure, a Standard, a Store.”

- Milnes, Alfred

Since the earliest times people have been looking for something tangible that they would be able to use for purposes of trade and exchange. This means of trade and exchange was dubbed as money.

However, it came in different forms and didn’t have the same appearance that currently we are so used to.

Back in the stone age people tended to view the majority of items in two ways by looking both at their physical nature and their possibility to be used as a trading instrument. This way the concept of barter—or using an object that has a certain degree of value for exchange to commodities—was born.

As early as 9000 BC obsidian came into use as the most ubiquitous material which could be found on the territories of Europe that we currently refer to as Italy and Greece. In the absence of this rock, cattle and grain as well as other materials or foods were used as money or for barter.

And though barter answered most of the people’s needs when it comes to exchange and trade back at the old times, it wasn’t the ideal choice for a couple of reasons.

Firstly, barter didn’t provide a solution to the problem of coincidence of wants\(^\text{11}\), which is the failure in comparing the value of two objects that are to be traded, and cannot be considered a stable medium of exchange.

\(^{11}\) https://en.wikipedia.org/wiki/Coincidence_of_wants
Secondly, since the majority of items that were used for barter were either materials or foods, they could not serve as a medium of store or value. Cattle and grain could perish or be eaten and materials, such as obsidian or other rocks and metals, were not widely available in all parts of the world and therefore could not be used for international trade or exchange.

Thirdly, it could not be used as a measure of value because people basically used anything of value at hand—lacking a standardized value—for purposes of barter.

The question of the asset ownership was not particularly clear within the barter system, too. Since bartering didn’t serve as a measure of value, tally sticks came into use as a memory aid for documenting numbers and quantities in trade deals.

They were sticks made either of bone or wood with marks that were documenting the rights of the owner or owners over the traded assets.

A necessity to retain the ownership of traded assets, or at least the need to have a kind of documented proof that one commodity was changed for the other one and the accounts have been settled, came to be the tipping point of a transition from the barter system and tally sticks to something that would have a fixed value in this or that region, minted coins.

As early as 700 BC, when the society growth was gathering its pace which lead to increases in trade, first coins were minted in India, China, and in cities around the Aegean sea from such materials as electrum, which is a naturally occurring alloy of silver and gold. Gold, silver, and copper came to be used as the primary materials for coinage in the centuries to follow.

During this time the word *money* appeared from Latin word *moneta*, which was the temple of Juno goddess in Rome that became the place where coins in the Ancient Rome were minted.

Coins had a major advantage over barter because they were measurable, more universal than commodities, and much smaller than anything that was used as a payment measure ever before.

And though coins were a major step-up in convenience of use from the barter system, they resulted to have their drawbacks, too.

Since coins were commonly made of precious metals that were scarce, it was virtually impossible to mint higher quantities of coins that the market growth demanded. Also, they were something clipped by people because of their high value.

And lastly, not all nations had the same concept of the coin value and some materials were valued higher or lower depending on the territory where they were used. This interfered with the necessity of money to serve as the store of value and measure of value.

In the 18th century the situation was stabilized with the intervention of banking institutions—which in its modern sense started appearing in the 16th century in Italy—that made it possible to change money into gold, which made coins to be units of value and not units of weight.
Fueled by the development of society as well as a considerable increase in trade and business, the Bank of England became the world’s first bank that started issuing paper banknotes, which were initially hand-written, therefore making it possible for people to take out loans in form of bank debt instead of only lending money, making deposits, or changing money.

Further on banks started improving on their services, providing more complex financial tools, and turning into something that we are all accustomed to now. Deposits were offered with advantageous ROIs, the whole system was convenient, and it was thought to be secure to keep funds at banks.

However, at the beginning of the 21st century it became clear that the banks failed to reach and provide people with the financial security they ought by giving out an enormous amount of mortgages in an uncontrolled way, which lead to a housing bubble.

The housing bubble maintained with mortgage-backed securities and the collateralized debt obligations, which were oftentimes offered by unqualified and corrupt banking institutions that were completely centralized, finally popped and resulted in the massive global crisis.

In the years to come the consequences of this worldwide crisis were eliminated, but still fiat money was sensitive to political and geopolitical events happening around the world as well as fluctuations in prices of natural resources, making its value go wayward.

This way, following almost 500 years after the birth of banks and over a thousand of years after the appearance of currencies with fixed value, money hasn’t proven itself as an effective measure and store of value.

The world’s slowly deteriorating financial system and rising tensions in the society at the end of 2000’s demonstrated that people all around the planet lacked security and stability when it came to using fiat money and therefore were waiting for a change.

**Current situation: Cryptocurrencies**

The concept of cryptocurrencies appeared back in 2009 together with the launch of the world's first cryptocurrency, Bitcoin. As all other cryptocurrencies—the number of which has surpassed 600 as of 2016—it is powered by a decentralized database called blockchain.

Cryptocurrencies are seen as a modern way of dealing with the inefficiencies of the banking industry by offering people a lack of corruption thanks to the decentralization and absence of the governing authority, transparency and scalability due to the use of blockchain, and higher safety of funds thanks to the data encryption.

As explained above, there are three main types of cryptocurrencies—POW, POS, and DPOS—that offered people to maintain the security of the system and give them coins in return, something similar to ROIs in bank deposits.
It was much safer to use cryptocurrencies than to keep funds at banks, the value of cryptocurrencies didn’t fluctuate depending on changes in the natural resources market or political scene, and they answered the requirements of the open market—which is non-involvement of authorities—much better than fiat money.

However, the growth in popularity of POW based cryptocurrencies brought along an array of issues the solution to which hasn’t been found so far. Mining of coins became a completely energy inefficient and overly expensive process for common users, harming the environment and wasting enormous amounts of money, therefore leading to appearance of miner monopolies that jeopardized the decentralization, fairness, and security of the whole system.

Due to the actions of agglomerations of miners, which proved to be prone to corruption, the block signing times and transaction fees have skyrocketed, making the system more and more inconvenient to use.

And though POS based cryptocurrencies managed to avoid physical mining, therefore making it possible to waste no electricity, the algorithm was still exposed to vulnerabilities in security and possibilities of unwanted centralization.

Low mining fees in POW and low ROIs in POS interfered with popularization of cryptocurrencies—making them an inefficient medium of exchange—whilst security concerns cast doubts on their use as a reliable store of value.

With the appearance of an updated, more secure, and more democratic algorithm of POS in 2014, DPOS, an improved version of which E-Dinar Coin is powered by, a question mark hanging over the future of cryptocurrencies started disappearing as Delegated Proof-of-stake has offered bright prospects of financial stability and long-standing growth.

**Advantages over fiat money and cryptocurrencies**

Creators of E-Dinar Coin felt the need of people for a more universal, just, stable, and understandable means of payment and storage of their funds that would be devoid of all drawbacks that today’s banking system and cryptocurrencies have.

**Decentralization, democracy, lack of corruption, and transparency**

Currently banks promote their financial services and tools as completely transparent. However, any system that is controlled by a person or group of people cannot be transparent because of corruption that is intrinsic in the nature of a man.

Banks let their users review their own transaction history, but anything beyond their account—including the source of the money they own or receive—is impossible to trace without having full access to the internal system.

If a certain financial crime took place, whether by a common bank user or an executive, it would require an audit that usually takes weeks and may cost up to a several million of dollars.
E-Dinar Coin as well as all other cryptocurrencies make the whole system transparent and easily scalable through the use of an open access blockchain database where all transactions can be quickly traced to their source.

Apart from being transparent, the blockchain database is decentralized. This means that no user controls anything in the system but at the same time they control everything, too. Decentralization makes it possible to get rid of corrupt individuals in control of the whole system and give inclusive rights over it to all of its users.

And though the most popular cryptocurrencies may be considered far more democratic and far less corrupt than the banks that manage fiat money, POW and POS based cryptocurrencies are still vulnerable to misdoings of some users that may breach the security of the blockchain and take over it, making it centralized.

E-Dinar Coin is powered by a new and promising DPOS system where probabilities of a security breach leading to the system centralization are equal to zero thanks to the presence of delegates that oversee the system's stability.

**High ROIs, fair coin distribution, stability, and advanced referral system**

Currently most of banking institutions around the world never offer annual ROIs that are higher than 10%, which is clearly not enough unless you are planning to make a large deposit. Apart from it, lately fiat money was demonstrating high volatility because of the various political changes happening around the world as well as changes the prices of natural resources.

Cryptocurrencies, quite the other way, proved to be insensitive to the issues on the global political scene and natural resource price changes and tend to grow when fiat money plunge.

![Comparison of Monthly ROIs](https://example.com/compation-of-monthly-ROIs.png)

Even though cryptocurrencies are more stable than fiat money, the question of ROIs still remains to be pressing. Mining coins in POW cryptocurrencies has become too expensive.

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and cost inefficient for common users\textsuperscript{14}, whilst staking ROIs in most of POS and DPOS cryptocurrencies are fixed at 3\% to 5\% per annum.

E-Dinar Coin improves on this by providing all of its users a fixed staking ROI of almost 0.6\% per day with the possibility of increasing their gains via an advanced seven level referral system that was created to act as an incentive for the users to broaden the cryptocurrency user pool and reduce inflation.

\textbf{Low commission fees and quick transaction processing times}

Transaction fees vary from bank to bank and usually constitute 2\% to 3\% of the total transaction value, whilst processing of a transaction may take up to a week if a user makes a payment to the other bank or even longer if they send money to the other country.

\textbf{Comparison of median transaction fees}

![Comparison of median transaction fees](https://via.placeholder.com/150)

Today's most popular cryptocurrencies offer lower transaction fees and quicker processing times than banks, but since miners are given the right to choose which transactions they process first and what transactions fees to impose, using of POW based cryptocurrencies became a long and expensive thing.

\textbf{Comparison of median transaction times}

![Comparison of median transaction times](https://via.placeholder.com/150)

\textsuperscript{14} http://www.reuters.com/article/us-markets-bitcoin-mining-idUSKCN0ZO2CW
Every block in the blockchain at E-Dinar Coin is signed in less than 3 seconds and the transaction fee is fixed at 0.001 EDR.

**Energy efficiency and eco-friendliness**

POW based cryptocurrencies such as Bitcoin turned out to be energy inefficient and overly harmful to the nature because of the need to use mining equipment that uses enormous amounts of energy.

Growth of POW cryptocurrencies makes it even more difficult for miners to earn coins and it’s seen that if Bitcoin maintains its growth rate, it will require consumption of the same amount of power as entire Denmark in 2020 in order to be functional\(^\text{15}\).

E-Dinar Coin doesn’t use Proof-of-work mechanism in order to reach consensus between all members of the network and ensure its security. Staking, which is a proof of having a certain amount of coins in the user’s wallet, is used for this purposes instead, making it possible to avoid wasting energy.

**Competition analysis**

Since DPOS based cryptocurrencies are a recently new concept, the market competition is scarce.

Apart from E-Dinar Coin, currently there is only one established DPOS cryptocurrency, BitShares, which has managed to become relatively successful and linger on the market for longer than a year.

However, the daily volume of BitShares equals to less than $50,000 and the value of one BTS is only $0.0035\(^\text{16}\) as of November 2016 as compared with the daily volume of E-Dinar Coin of $750,000 and the recommended value of one EDR amounts to $1\(^\text{17}\).

**Risks and opportunities**

**STRENGTHS**

- Traded at over 10 of the world’s biggest exchange houses
- Daily trading volume of over $1,000,000
- High coin value
- Devoid of corruption
- Transparent
- Democratic
- Stable
- High ROI
- Advanced referral system


\(^\text{16}\) [https://coinmarketcap.com/currencies/bitshares/](https://coinmarketcap.com/currencies/bitshares/)

\(^\text{17}\) [https://coinmarketcap.com/currencies/e-dinar-coin/](https://coinmarketcap.com/currencies/e-dinar-coin/)
Low commissions
Quick transaction processing times
Energy efficient and eco-friendly

WEAKNESSES
Possibilities of inflation
Possible fluctuations in price

OPPORTUNITIES
Growth of the user pool at an exponential rate

THREATS
Possible competition
Governmental regulation

FUTURE PLANS
We at E-Dinar Coin believe that long-standing growth can be achieved through hard work, sustainable development, and taking of new approaches to financial industry. Learn what E-Dinar Coin is seen to become by 2020.

Representative offices and coverage
We think that a cryptocurrency, just like any other financial instrument, should be understandable and user-friendly. This is why we are planning to continue opening representative offices all around the world in order to help our users find the right answers to their questions and let them understand the true potential of E-Dinar Coin.

Massive broadening of E-Dinar Coin representative office chain in Asia and Europe is set to be carried out in 2017.