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## The world standard Crypto Asset (Currency ) Cardano ADA

New generation crypto currency Cardano ADA has hybrid character composed of Bitcoin and Ethereum, these are 2 TOP crypto currency in the world. Let's know the new generation ECO system having potential to world standard Crypt!!

#### "The new world standard" based on Cardano ADA

- In present, 2 TOP crypto currencies are Bitcon and Ethereum.
  The dominance of these is larger than 60 % in spite of 7000 crypto currencies.
  The total values of these become larger than 1 Billion \$.
- The most valuable method of investment was buying BTC and ETH since they grew continuously in this decade..
- The almost perfect security based on block chain technology has great advantage to other digital data (asset).
- Copy and tempering(hacking) security based on decentralized and dispersed system are quite unique character for new world standard assets.

#### "The new world standard" based on Cardano ADA

In this sense, the BTC and ETH are almost perfect. However....

- The scalability problem and non Ecology character of Proof of Worked as serious perturbation for the world standard.
- Probably, 1 Billion \$ of something large are limit of these system. Billions people can not use these system.
- New generation ECO system "Cardano (ADA)" is a quite smart solution for these problems.
- The new ecology consensus algorithm Proof of Stakes (POS) with high security decentralized and dispersed system
- like BTC or ETH without energy problems.
- Cardano has smart contract, multi asset and ability for DeFi without scaling problems.

For understanding Cardano strategy, let's know the fundamentals of "Crypto assets"!!

#### Block chain technologies.

- Block chain technologies protect your digital assets from copy and tempering problems.
- Usually this kind of system was established by high technology (private) companies. This type block chain was called as private chain system.
- A security level of private chain is proportional to company's security level. This means the competition between the hacker technology and company technology.
- In private chain system, the administrator can control or delete your asset. This possibility was also realized by hackers attacks.
- Apparently to this situation, in public block chain system controlled by the computing system existing over the world, no one can control or delete your asset or account.
   Your asset can be controlled by only your self.

This is decentralized novel technology with almost perfect security.

#### The first crypto asset BTC:Bitcoin

- The Bitcoin (BTC) is first crypto asset (currency ) based on public block chain technology over the world.
- The consensus algorithm of block chain system is "Proof of Work ( POW)
- POW establish quite high security by the competition of hash late, which is the indicator of computing simulation power. A large number of computer join in BTC POW system. The winner of each block (every 10 min) can get block produce reward by BTC.
- Anyone can contribute to BTC block chain. This means your asset was always secured by the world wide computer. Since the total Bitcoin quantity is limited as 22 million BTC like GOLD or other rare metals, someone called BTC as digital GOLD. You can send the "asset like GOLD" through internet directly. 5 /

#### The first use case of BTC "buying crypto assets"

- The present BTC price is almost 3-5 million \$. The total value of BTC can reach to 1 Billion\$. Now BTC is recognized as novel world asset class.
- The main stream of BTC value growth is the use case "buying other crypto".
- The block chain technology is "open source technology." Anyone can start new crypto asset like LTC(Litecoin), ETH (Ethereum) and so or

Since the BTC holder believe the good future of clock chain technology, They bought other crypto asset by BTC. In other words, the people who want to buy new crypto should buy BTC.

From these reason, BTC is always TOP of Crypto, and someone called BTC is Crypto Mother

#### Ethereum : the origin of the Smart contract

- Ethereum (ETH) is second largest Crypto currency in the world.
- The smart contract is excellent block chain function to enhance crypto.
- The ability to use "other crypto asset" .

The new crypto chain can not protect their crypto, because of small number participant of POW. High technique and ability for block chain technology is also required.

The system ERC-20 token realize quite easy making of new crypto with high security.

In this system, ETH is a fee for sending all ERC-20 token. Recently, DeFi (Decentralized Finance ) and NFT (Non Fungible Token) were established with advanced smart contract function.

These fantastic ability enhanced BTC and ETH price. Now total value of BTC and ETH is larger than 1 Billion \$!!

#### The reason of success of BTC and ETH

- POW is great solution to realize public block chain.
- Because of well decentralized POW validator(minor), the BTC distributed widely. (Since BTC is first crypto currency, all BTC are produced by mining!! This is unique situation.)
- ETH also has similar structure. The multifunctional

However, the weakness of POW against for 51% attack, which is critical for block chain, does not allow continuous growth of new crypto except for ERC 20 token , closed private like system or classic system such as LTC, BCH, ETC.

#### In this sense, BTC and ETH is perfect!! However....

#### Scalability problem

- BTC network can treat only 7 transaction / second.(TPS)
- In the case ETH network, the TPS value is 15-20 relatively larger than BTC.
- Therefore, the limit of transaction per day of BTC and ETH are 0.6 million and 1.2-1.5 million, respectively.
- Indeed, the ETH limit include not only ETH transaction but also
- ERC-20 token, NFT, and others.
- This limit corresponds to active user who use more than 1 times per day Should be less than 1 million.
- This problem produce more than 20\$ transaction fee to use ETH network.

#### Energy problem (Environment Problem)

The energy due to BTC POW reached to 75 Twh.(Mining Energy)

This value corresponds to "Country class"

Usually, mining energy is proportional to BTC price.

Therefore... if BTC price becomes to 10 times larger, the mining energy will be Euro or USA class!!

The scalability and energy problem require new crypto!!

Actually, new consensus algorithm in stead of POW!!

#### 1<sup>st</sup> generation BTC with POW

First Public block chain

2<sup>nd</sup> generation ETH with POW

Public block chain with smart contract (multi function)

#### What is 3<sup>rd</sup> or 4<sup>th</sup> generation Crypto??

This system should be ECO without scalability problem.

#### XRP established by Ripple co. ltd.

- XRP (Ripple net) use Proof of Consensus (POC).
- POC can accept over 1000 TPS!! Without a lot of energy loss.
- The high network security was established by quite famous and high secured companies and instruments such as IBM, MIT and so on.

Once, XRP price reach to almost 4\$ and the total value of XRP close to that of BTC (almost half Billion \$) in early of 2018.
 So, many people believe the 3<sup>rd</sup> generation crypto is XRP!!
 However... the XRP price is not recovered now, despite that present price of ETH and BTC are remarkably higher than 2018.

The possible reasons.

It is very hard to join to POS network system as validator (like BTC minor).

Ripple company can choose participants. Therefore, this is not perfect public block chain.

More than half quantity of XRP is still on Ripple company.

There is no decentralized and dispersed character in XRP POC.

#### 1<sup>st</sup> generation BTC with POW

2<sup>nd</sup> generation ETH with POW

First Public block chain (high security) with decentralized and dispersed character.

Public block chain with smart contract (multi function) with decentralized and dispersed character.

### 3rd generation OOO with OOO

Ecology system, accept large scale transaction +  $\alpha$ 

(high secured) Public block chain with smart contract (multi function) with decentralized and dispersed character.

#### Novel eco algorithm POS(Proof of Stake)

POS is not competition of computing power but the competition of contributing for network.

The main token (coin) by holding time is the key for block chain in POS system.

The new algorithm also can treat large transactions.

#### Candidates of POS system

Pure POS ETH 2.0

Delegate type POS DOT(Polka DOT), EOS, ATOM(COSMOS), XTZ

Uroboros POS (ADA : Carfano) (Advanced Delegate POS)

POS like system (centralized type) BNB, XRP, SOL NEM(XYM)?

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BTC	$\bigcirc$	$\bigcirc$		X	X
ETH(ERC)	$\bigcirc$	$\bigcirc$	$\bigcirc$	X	X
ETH2.0(POS)	$\sum$	X~∆	$\bigcirc$		$\bigcirc$
XRP•SOL	$\bigcirc$	$\mid \times \mid$	$\times$		$\bigcirc$
POWs	$\times$	X~ <u></u>	$\times$		X
POS通貨		X~△	$\bigtriangleup$		
DOT(DPOS)	$\bigcirc$	$\sum$			
DOT(DPOS) ADA(UPOS)					

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ETH2.0(POS)	20000?	X~\_	32 ETH	X	
DOT(DPOS)	100?		High rank required	High rank required (90 Day Locked)	$\sum_{i=1}^{n}$
BNB(DPOS?)	20-25	X	10000 BNB	X	X
XTZ(LPOS)	400(Top23)	$\times$	8000 XTZ	$\sum$	$\sum$
EOS (DPOS)	20-25	X~\_	(unable)	3 DAY Locked	$\times$
ATOM(DPOS)	150(TOP20)	X~/	High rank required	A 21 DAY Locked	X
XEM(POI)	???		HIGH	10000 XEM	X
ADA(UPOS)	> 2000 Random		Zero /low	No lock No barrier	$\bigcirc$

# The advantage of CARDANO ADA in view point of crypto investments.

- There is a possibility of huge capital gain in some coins, like DOGE or SHIB.
- The high return by high yield DEFI is also possible.
- This is speculative or gambling.
- In view point of investments in long time term, most important thing is to find "next generation Crypto".

In other words, it is important to find "Ethereum killer", moreover "Bitcoin killer".

In this sense, novel type POS crypto Cardano ADA with following character is the only answer.

Ecology system, accept large scale transaction +  $\alpha$ 

(high secured) Public block chain with smart contract (multi function) with decentralized and dispersed character.

You can access to Cardano information on web site!!

Also some investigation on Cardano in view point of investments can be seen in website.

And you can also see simple information for POS candidates (ETH, EOS, BNB, XTZ, DOT, ATOM and... Cardano ADA!!) in following pages. If you understand the importance of decentralized and dispersed character, you can get the answer!!