Press Release: For Immediate Release 2015-1-22

BURST - Beats Ethereum and Counterparty to Smart Contracts by a long shot

BURST is not only the first Proof of Capacity coin, using power efficient hard disk drives for mining; it has now also become the first coin to implement trustless Smart Contracts.

You have probably heard of Smart Contracts. Ethereum became lauded for planning to implement Smart Contracts. However, for over a year now all we seen is planning and no implementation; in fact they still do not estimate release to be ready for another several months. Counterparty, on the other hand, recently announced they would be implementing Smart Contracts; their phrasing seemed to indicate they already had them working. However, it turned out it is not possible, for example, to send or receive Bitcoin using their Smart Contracts. Combining Counterparty's network with Bitcoin also raises some serious issues, such as what if a node fakes including a Smart Contract into a block that is not approved by Counterparty but is by Bitcoin? As Ethereum release is postponed by several months, so is Counterparty's.

Meanwhile, Smart Contracts are here! You can actually start writing customer ready Smart Contracts using BURST, sometimes referred to as Burstcoin, straight from its wallet today! Should you require assistance you can always ask one of BURST programmers to write one for you!

So what makes Smart Contracts so awesome?

Smart Contracts enable many things to be run on the blockchain which would otherwise have to be individually programmed in, or reviewed by, a core developer, and to achieve maximum trustlessness, reviewed by all the miners as well. On the other hand, Smart Contract code can be modified to specifically suit the needs of anyone who wants to run it.

The reason for Smart Contracts' name is that they allow people to agree on a piece of code ahead of time and trustlessly know that *if* they submit the code to the network, then it *will* be completed as requested. The code's arguments can be modified as desired, before its submission to the network.

Which contracts are already working?

- *Atomic Cross Chain Transactions*, which allow for true decentralized trading between cryptocurrencies. For example, trade your BURST with a coin that provides a mixing service for the purposes of privacy, then send it right back to a new BURST account.

- *Auctions*, where you can auction an item or a service off at a certain starting price. Participants send money to this Smart Contract, and anytime one sends more than the previous participant, the previous participant's money is automatically refunded. 'Buy Now' option is also supported.

- *Crowdfunding*, where it is possible, similar to Kickstarter, to support a project by sending funds to an account. If the account receives enough funds by a certain block, then the project funds are released; otherwise the money is returned to the senders.

- *Dormant Funds Transfer*, where it is possible to get an account dormant for a specified period of time, to automatically forward the balance to another account. This could be useful as a Last Will and Testament and/or backup for your funds, in case you lose the password.

- *Lottery*, where you send coins to a Smart Contract programmed to randomly choose a winner and award that account with its winning BURST.

Which contracts can be added in the future?

- *Autonomous Corporations*, entities holding internal capital, autonomously acting on the market through sets of trustless rules - Smart Contracts - with the ability to, for example, automatically pay dividends to shareholders and basically trustlessly direct the capital around the corporation and the market through predetermined channels of your choosing.

- *Gambling*, such as sports betting, where people establish ahead of time the conditions that must be met in order to determine the winner, and the winner is automatically awarded his winnings.

- *Self-mixing*, it was shown to be possible to mix your balance directly using Smart Contracts; however, the exact level of anonymity achievable using this method is currently under review.

- *Smart Property,* another potential area, allowing ownership of an object to be shared depending upon the state of the Contract. For example, a shared car that you automatically pay for but only while driving it.

Clearly, Smart Contracts can be used in many different situations, but since this innovation is fresh, many possible uses have probably not even been thought up yet. You get all this in one single coin, BURST. We will not stop there though, we will continue to develop!

What else does BURST have to offer?

If this is your first time hearing about BURST, its biggest feature is that BURST is the world's first Proof of Capacity coin. Proof of Capacity, while a variant of Proof of Work, has a lot of advantages over both Proof of Stake and traditional Proof of Work. In a nutshell, Proof of Capacity means that you mine by reading a small segment of your 'pre-plotted' hard disk drive every block, and submit this proof to the network in order to be allowed to mine a block. This means that BURST is energy efficient since it only reads from your hard drive once per block and does not use power hungry graphics cards while mining. Mining is also practically silent as hard disk drives of today are very quiet.

Additionally, BURST is also ASIC proof, encouraging decentralization. This means that your every-day-user can mine for the network without requiring any fancy equipment, and if it is profitable for the big data centers (which have yet to appear on the network) that specialize in mining, then it is also profitable for your average person mining using a terabyte of hard disk drive space. As evidence that being ASIC proof increases the decentralization of the network, consider the fact that currently the largest pool mines less than 2% of total blocks. Proof of Stake is known to have additional security complications and problems, yet BURST is still capable of implementing the '90% protection against attack' method certain other Proof of Stake cryptocurrencies possess. In summary, Proof of Capacity makes BURST an energy efficient, ASIC Proof, and secure cryptocurrency.

Being an innovative fork of Nxt, BURST also offers an Asset Exchange as well as a Marketplace built directly into the wallet.

Several other features such as escrows, which allow for a middle-man who can approve or reject transactions as certain conditions are being met, or subscriptions where people can subscribe to in order to have a certain number of BURST automatically deducted from their account and forwarded to another one on a regular basis, are very useful and are built in as well.

BURST - Truly a second generation cryptocurrency

For months of continuous development since its launch in August 2014, BURST has been offering all of the above, but now we add another feature to this exceptional coin. Once again BURST is the first, this time with Turing-complete Smart Contracts, making BURST a true second generation cryptocurrency. Development continues unwaveringly, community grows, and network size is around 10 petabytes. Come join us!

Terminology Note

Lead developer of this version of Smart Contracts is the Bitcointalk forum member Burstcoin together with member vbcs, following the work of member CIYAM. In their discussions of the technology, terms Automatic Transaction (AT) and Atomic Cross-Chain Transfer (ACCT) are often used. For this press release we have chosen the more widely used term Smart Contract, as we feel the terms just represent different names for the same concept.

Whether you call them AT-s or SC-s, they are impressive high-tech developments, often hard for a regular reader to follow. This text has intentionally been written as to appeal to a wider audience. Hence, we will follow this press release up with a more detailed technological press release after New Year's.

Smart contracts, one small step for BURST, but one huge step for crypto - and next week we might make another one! Get involved in the future, today!

Relevant Sources

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