

Bitcoin Beginner's Guide

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TABLE OF CONTENTS

ABOUT THE AUTHOR	4
INTRODUCTION	6
SUMMARY OF RECOMMENDED SERVICES	7
FIVE STEPS TO MAKE A BITCOIN TRANSACTION IN UNDER 30 MINUTES	.....	9
STORE	.....	11
OFFLINE STORAGE - PENULTIMATE SECURITY	.....	13
ACQUIRE	.....	14
SELL AND SPEND	.....	17
SPECULATE OR INVEST	.....	20
CONCLUSION	.....	23
BITCOIN RELATED VIDEOS	.....	24

ABOUT THE AUTHOR

The main purpose of this guide is to provide ideas and information on how to safely use Bitcoin and Bitcoin services to avoid many undesirable and harmful effects others have experienced.

Ideas can only be overcome by other ideas. Money and force are impotent against ideas. Government abuse of currency has enabled many evils including the rise of dictators and perpetuation of genocide.

The abandonment of sound money is the chief reason, if not the only reason, that the world has become such a dangerous place. Bitcoin, being merely open-source software code, is a powerful idea and tool to counteract these evils.

As the worldwide fiat monetary system evaporates it will take education, humility and willingness to explore new technologies like Bitcoin to successfully navigate the chasm and retain one's wealth. We are feeling the gigantic tectonic plates underneath the financial system begin to shift.

The shift of wealth that is happening is gargantuan and if one is properly positioned they can profit handsomely from the change. Bitcoins, like gold,



are a sterile asset and an increase in the price of bitcoins only represents a shift of wealth that has already been created and was stored in some other asset to holders of bitcoins. Luck is when preparation meets opportunity.

Trace Mayer is an entrepreneur, investor, journalist, monetary scientist and ardent defender of the freedom of speech. He holds a degree in Accounting and a law degree. He has studied Austrian economics focusing on the work of Murray Rothbard and Ludwig von Mises.

He is a strong advocate of the freedom of speech, operates [RunToGold](#) and [HowToVanish](#), has authored [The Great Credit Contraction](#) and co-authored [How To Vanish The Book](#), [Bitcoin Beginner's Guide](#) and [A Lawyer's Take On Bitcoin And Taxes](#), is a member of the Society of Professional Journalists and the San Diego County Bar Association.

Trace Mayer has appeared on Canada's national financial network BNN, ABC, NBC, many radio shows, conferences, to many private groups and is syndicated through Seeking Alpha, Yahoo! Finance and MarketWatch.

He was among the first popular bloggers to publicly recommend Bitcoin in its infancy with a market cap under \$2m and well before its massive rise to about \$500m in March 2013. So if you like, use or have profited from Bitcoin then there is a chance you were directly or indirectly influenced by Trace.

He has always been very interested in entrepreneurship, money and the financial markets. He believes education is the key to opportunity and humility, the ability to change and adapt, are essential to successfully allocate capital.

He generally deals with high-net worth individuals. He may be available for interviews, speaking, training, writing or consulting.

And you can signup for the **free** email updates at the websites where you will learn the latest tips and advice to protect your wealth and privacy.

COVER CREDIT: Reddit user [nagdude](#)

INTRODUCTION

Imagine being able to send any amount of money to anyone anywhere in the world at anytime without the possibility of funds being frozen, seized, confiscated or impeded in anyway all for a tiny or no cost. That is Bitcoin.

Bitcoin has opened the monetary Pandora's Box. Since Bitcoin slithered out of the primordial monetary ooze in 2009 the Bitcoin economy has been growing, dying, regenerating, evolving, metastasizing and developing at an extremely rapid pace. One thing is for sure: Bitcoin has not disappeared.

This decentralized peer-to-peer irreversible non-freezable crypto-currency, the ultimate 'offshore bank account' or last plane account, and the surrounding services now offer tremendous utility to hundreds of thousands of people on a daily basis.

It also makes easy and possible *anonymously* paying for online goods or services. This is extremely important if you want to protect your Internet privacy by using Virtual Private Networks (VPNs). You should never trust a VPN that doesn't accept bitcoins.

If you have not seen the extremely popular, with over a million views, short two minute video **What Is Bitcoin?** at WeUseCoins.com then I highly recommend viewing it to get a succinct and accurate overview.

There have also been a significant number of unfortunate events where bitcoins have been absconded, embezzled or stolen. Additionally, as with anything scams and thieves exist so due diligence to find reputable service providers must be done to protect your capital.

Nevertheless, with this short [Beginner's Guide To Bitcoin And Bitcoin Services](#) you will be able to safely, easily and quickly learn how to store, acquire, sell, spend, speculate and invest bitcoins.

SUMMARY OF RECOMMENDED SERVICES

STORE

[Bitcoin.org](https://bitcoin.org) - the open-source software

[Blockchain.info](https://blockchain.info) - easy and secure online wallet to store bitcoins

ACQUIRE

[BitInstant.com](https://bitinstant.com) - deposit cash at 700,000+ locations and receive in your exchange account within an hour

Popular exchanges: [MtGox](https://mtgox.com), [BTC-e](https://btc-e.com) and [CampBX](https://campbx.com).

SPEND AND SELL

[Coinabul](https://coinabul.com) - Buy gold or silver coins with your bitcoins

[Coinapult.com](https://coinapult.com) - Send bitcoins to an email address or mobile phone number and integrated with BitInstant.com

[MEGA](https://mega.nz) - Zero-Knowledge file storage service

[Ice Servers](https://www.iceservers.com) - Web hosting in Iceland with very protective freedom of speech laws written by legislators with Wikileaks ties

[Private Internet Access](https://privateinternetaccess.com) - Anonymize your Internet traffic. Never trust a Virtual Private Network (VPN) that does not take bitcoins

[BitMit.net](https://bitmit.net) - Buy MoneyPaks with bitcoins

[AmericanExpress.com/prepaid](https://americanexpress.com/prepaid) - instantly loadable via MoneyPaks, no/low fee prepaid card with \$400/daily ATM withdrawal limit

[BitPay.com](https://bitpay.com) - Payment processor with daily direct deposits

FIVE STEPS TO MAKE A BITCOIN TRANSACTION IN UNDER 30 MINUTES

I understand, you are impulsive and just heard about this newfangled thing called Bitcoin and the first thing you want to do is go out and make a transaction. Sure, you could read this entire guide.

But what if you want to just get down to it and buy something with bitcoins in the next 30 minutes? You learn by doing so here you go!

STEP ONE

You need a wallet to have bitcoins you purchase sent to. For this I recommend Blockchain.info or Easywallet.org. Easywallet will take slightly less time, just click the link on the upper left Create New Wallet, and you will be on your way. Blockchain.info is more secure. I us both and it comes down to time or money..... So pick your poison!

STEP TWO

So what fancy new product or service do you want to buy? Well, it would be good to know approximately how many bitcoins are needed. Perhaps it is [How To Vanish The Book](#) (<---- click the link!) to say Thank You since this guide is so helpful.



STEP THREE

Now you need to get some bitcoins into your brand new wallet. [BitInstant](#) is one of the easiest with over 700,000 physical locations, including 711, CVS, Wal-mart, etc. where you can walk in with the transaction page you print off, hand a cashier some cash and have bitcoins in your wallet in about 5-15 minutes. **Speed Tip:** Use the major bank branch option for the best option; no need to call with a red phone, give name or address, etc. **Privacy tip:** Use [Mailinator](#) for a disposable email address.

Sure, the effective exchange rate may be rather steep but if you are only exchanging \$40-60 (1 year VPN is about \$40 and you should definately buy it with bitcoins!) and

learning how to use this magic Internet money then just chalk it up to Bitcoin school. Time or money and be sure to get a comfortable margin of extra bitcoins because the exchange rate fluctuates. Nothing is more annoying than being .2 BTC short and having to make another trip!

STEP FOUR

Ok, now it is time to go to the website where you want to make the purchase. If you already had it open then refresh the webpage so that any payment amounts get updated to the current exchange rate.

The screenshot shows the BitInstant website interface. At the top is the logo "bitinstant" with the tagline "time is money". Below the logo is a navigation bar with links: "How it works", "FAQ", "Fees and rates", "API", "Blog", "Security", "About Us", "Cards", and "Contact Us". A banner below the navigation bar reads "Use BitInstant to Buy Bitcoin or Fund Your Exchange Account in 30 Countries".

The main form is titled "Please select your country" and shows "United States" selected. There are two main sections for the transfer:

- Pay from?**: A dropdown menu showing "7-11" and a green "CASH DEPOSIT" button below it.
- Pay to?**: A dropdown menu showing "Bitcoin Address" and a "bitcoin" logo below it.

An arrow points from the "Pay from?" section to the "Pay to?" section.

Below the transfer sections is a link: "Confused? See our how it works page".

The bottom section contains the following fields and information:

- Bitcoin Address**: 1HTVbUSFyEgprujqjSz81QMN3zoMG
- Amount to send (USD)?**: 40
- Notification email?**: bitinstantdeal@mailinator.com
- Commission?**: 3.99%
- Local currency amount?**: \$40.0 USD
- You receive?**: \$38.404 USD

At the bottom left, there is a note: "limits 500 for all transfers, 1000 for cash bank deposits, 2000 per per day, minimal order 20". At the bottom right is a "send funds" button.

If you chose Blockchain.info then login, click the Send Money tab and do a Quick Send to the wallet address for payment (copy and paste that big nasty thing above Waiting For Payment!) and specify the number of bitcoins (1.209 in this case).

If you chose EasyWallet then paste the wallet payment address into the Send Payment section, specify the number of bitcoins (1.209 in this case) and click send!

STEP FIVE

Once you click Send then the payment should be submitted to the network for confirmation. A confirmation is where a the bitcoin network recognizes the transaction as valid and irrevocably moves the bitcoins from one wallet address to another.



Some processors require 0 confirmations and others 6+. Once their limit is reached then they should allow access to the good, confirm the invoice paid, etc. and, just so you know, 0 confirmations are required for any HTV products so click: Download Purchase.

CONCLUSION

And those are five simple steps to help you make your first Bitcoin purchase in under 30 minutes! You will become more comfortable with the technology the more you engage with the Bitcoin economy. Then when you use those clunky barbarous relics like online banking, debit or credit cards, money orders or checks it will seem like you are carving a letter to someone in stone!

STORE

Bitcoins are stored in a bitcoin wallet and can be accessed by anyone with the private encryption key. If your private key is compromised then the bitcoins could be transferred to a wallet for which you do not possess the private key.

There have been multiple thefts amounting to hundreds of thousands of dollars including the infamous MyBitcoin which absconded with many bitcoins, including a lead Bitcoin developer's¹, and Bitcoinica where over 43,000 bitcoins were stolen² and a few months later an additional 18,000³.

Like physical gold which can either be in your physical possession or entrusted with a third party so likewise a bitcoin wallet can be in your possession and/or the possession of a third-party.

For your personal possession only I recommend using the Bitcoin software⁴ or the Bitcoin Armory⁵. This can be cumbersome and if you lose the private key contained in the wallet.dat file then you will not be able to access your bitcoins. For the particularly savvy you could even use a 'brainwallet' which may be the most secure method available⁶.

¹ <http://www.bitcoinmoney.com/post/8366783098/launch-bitomat-mybitcoin>

² <http://www.bitcoinmoney.com/post/17566027429/bitcoinica-interest-payments>

³ <http://www.bitcoinmoney.com/post/23748723157/bitcoinica-no-database-backups>

⁴ <http://bitcoin.org/>

⁵ <http://bitcoinarmony.com/>

⁶ <http://www.forbes.com/sites/jonmatonis/2012/03/12/brainwallet-the-ultimate-in-mobile-money/>

EASY AND SECURE

An extremely easy and secure tool is the Blockchain.info online wallet⁷. The private keys are encrypted in your web browser before being sent to the Blockchain.info server so it is not possible for them to abscond with the bitcoins.

There are easy to use Android and iPhone Blockchain apps although the iPhone app is only available for jailbroken iPhones since Apple removed it from the App Store for no substantiated reason.

The main risk is that the client side encryption of the private key could be compromised by the Blockchain server. But if you are only keeping a few hundred dollars worth of bitcoins then I think they are the easiest and most secure option.

ENCRYPTION IS MATH

Encryption is math. With Bitcoin there are *public keys* with corresponding *private keys*. To move bitcoins from one public key to another you need to be able to solve a math problem. With the *private key* it is really easy to solve the math problem. Without the *private key* it is nearly impossible. Using a brainwallet you can use math to convert a *phrase* to a *private key*.

For example, the *phrase* **bitcoin is really cool** converts to the *private key* **5KeoZLodmz6jghYRXakYXNRGVqg683kQdeADWkSkbdnGzDqygaA** for the *public key* **17NEJi3EFyDtjvqhDmU14EVkf5eJBtdF4g**. You can create brainwallets (phrases) at brainwallet.org or in the Import area of [Blockchain.info](https://blockchain.info).

⁷ <https://blockchain.info/wallet/>

OFFLINE STORAGE - PENULTIMATE SECURITY

One of the **most secure** forms of storing bitcoins is via a cold wallet also known as offline storage. With a cold wallet you use a computer, like a \$200-300 netbook, that never has an Internet connection to generate the private keys to the wallet and store encrypted within a TrueCrypt volume.

Using html/javascript code completely offline you can [create private keys and generate transactions](#).^{89 10} Here are seven easy steps to apply this principle of using a cold wallet:

- (1) Transfer the address and transaction generator code via USB to the offline computer.
- (2) Create the private keys and store them in a .pdf, .txt, etc. file.
- (3) Create a TrueCrypt volume and if desired a hidden volume.
- (4) Place the files containing the private keys into the TrueCrypt volume. I like to place the public keys in the main folder, along with some dummy private keys, and the other private keys in the hidden folder.
- (5) Transfer the TrueCrypt volume via USB to an online computer.
- (6) Store the TrueCrypt volume in many places such as Dropbox, Amazon Cloud, Google Drive, Gmail, multiple USB sticks, email to friends, etc.
- (7) With Blockchain.info you can click Import/Export and input a public key to 'watch'. This will let you keep an eye on your wallets without revealing the private keys in anyway beyond the TrueCrypt volume.

There are many applications for this such as with having a 'savings' wallet and a 'checking' wallet where you move bitcoins. Even more advanced would be estate planning or asset protection strategies.

Of course, this is premised on the html/javascript code not being compromised and there not being a virus or any type of hidden program, like a keylogger, that gets transferred via the USB device. So be sure to practice good computer hygiene.

⁸ <http://www.howtovanish.com/images/offline-transactions.zip>

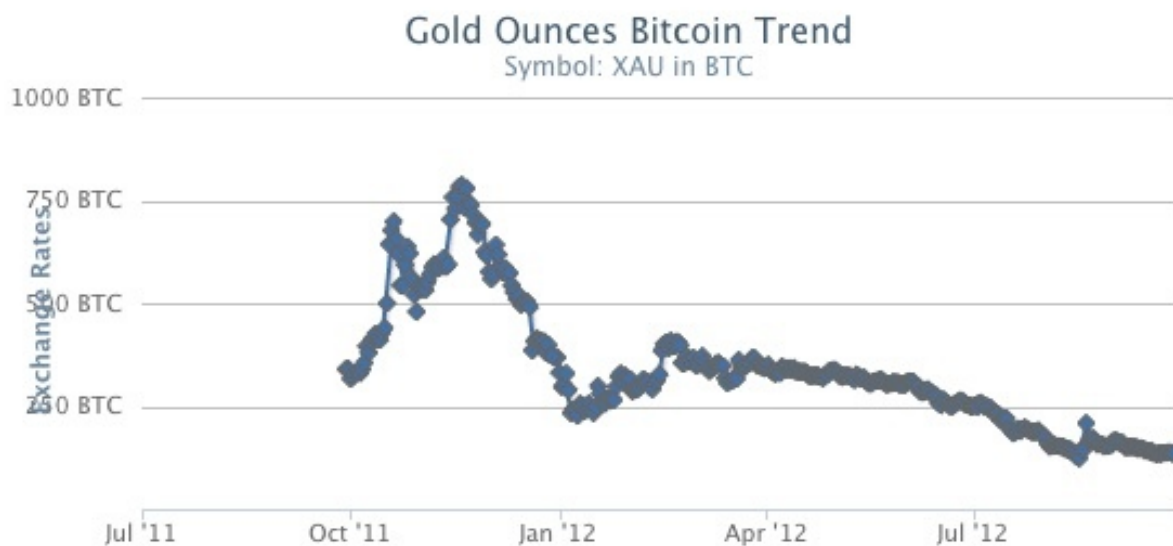
⁹ <https://www.bitaddress.org/> [beware when creating transactions; any unused inputs go to miners]

¹⁰ https://www.strongcoin.com/blog/the_easiest_way_to_create_secure_offline_bitcoin_transactions

ACQUIRE

Gold has outperformed all major asset classes over the past decade. And bitcoins are outperforming gold!

CURRENCIES VERSUS GOLD					
	BITCOIN	USD	EUR	JPY	CNY
2001		-2%	-7%	-15%	-2%
2002		-20%	-6%	-11%	-20%
2003		-16%	0%	-8%	-16%
2004		-5%	2%	0%	-5%
2005		-15%	-26%	-26%	-13%
2006		-19%	-10%	-20%	-16%
2007		-24%	-15%	-19%	-18%
2008		-4%	-8%	19%	3%
2009	4867%	-21%	-19%	-23%	-21%
2010	387%	-22%	-28%	-11%	-19%
2011	1320%	-10%	-12%	-5%	-6%
2012	170%	-6%	-4%	-16%	-5%



To participate in the Bitcoin economy you must first acquire some bitcoins. This can be done by mining or from someone who sells them either in person like from [Local Bitcoins](#) or through an online service. Several popular exchanges are [MtGox](#), [BTC-e](#), and [CampBX](#).

To buy them through an exchange you will need to fund an account with fiat currency and fees are usually around 0.75%. BitInstant.com at over 700,000 locations in the United States, Brazil or Russia such as 7-11, CVS, Chase, Wells Fargo, Bank of America, etc.

Keep in mind that Visa, MasterCard, Discover and American Express charge merchants about 1-5% of the gross amount, subject merchants to chargebacks and transactions are not private. Domestic and international wire transfer fees average around \$20-45. Western Union is no different.

Transferring value over distance is expensive with the current barbarous relic of a 500 year old financial and monetary system.

Once you have bitcoins they can be transferred for nearly free with no middlemen to charge you, freeze your funds or disclose your transactions to snoop advertisers, private investigators, governments, etc.

The main risk with using an exchange are the wire transfer fees, possibility of a lost wire, the exchange may abscond with your funds, the bank(s) used by exchange may freeze or slow the use of funds, etc. I would only use the exchanges for amounts greater than \$5,000.

EASY AND VERY LITTLE RISK

One easy way which skips the exchange services is to use BitInstant.com and have your bitcoins delivered via email which you then transfer to your wallet with a service like [BlockChain.info](#).

I used [BitInstant](#) to hand cash to the bank teller and receive bitcoins in my secure wallet within 25 minutes. The fees are slightly higher, around 3-7%, but the savings in time, lack of a wire transfer fee, convenience and speed of delivery makes for a powerful value proposition. Plus, there is very little risk!

TRADE-OFFS

With money and currency, and Bitcoin is no exception, there are three main costs: **(1)** time/convenience, **(2)** money and **(3)** privacy.

[MtGox](#) is slow but can be convenient with about the same fees but no significant privacy enhancements.

[BitInstant](#) is faster but less convenient much more expensive but more private.

[Local Bitcoins](#) is slower and much less convenient with higher fees but significantly more privacy.

So, it really just depends what the buyer or seller wants in terms of costs they are willing to pay in time/convenience, money and privacy.

It would sure be nice to find an exchange service that is instantaneous from anywhere with no fees and absolute privacy. If you find the unicorn then please let me know. In the meantime, Bitcoin entrepreneurs are financially incentivized to create services that overall costs in terms of these three areas.

For example, you could join Local Bitcoins and the more people who do that the more convenient, lower fees and more private the exchange market becomes.

In the meantime, there are inevitable trade-offs like everything else in life. So choose whatever you want for the situation.

SELL OR SPEND

So, somehow you got suckered into mining, buying or accepting bitcoins in exchange for a good or service and now you either want to sell or spend them. After all, what good are they if you are unable to exchange them for something you value higher?

Well, with millions of dollars worth of bitcoins changing hands everyday there are many people who will either buy or accept your bitcoins in exchange for a good or service. The [Bitcoin Magazine](#) is a great place to learn about general Bitcoin news, merchants, services, etc.

Playing games with Bitcoins is a favorite past-time of many. Several popular options include online poker like [Seals With Clubs](#) or the extremely entertaining [BitTrivia](#).

Want something more solid than fancy 'cryptographic hash' then consider [Coinabul](#) which sells physical gold and silver for bitcoins. [The Bitcoin Store](#) has thousands of products for sale and are usually cheaper than Amazon!

[BitPay](#) is a payment processor for merchants. Merchants can accept bitcoins as payment which are then instantly converted to FRN\$, MXN, EUR, CAD or GBP and batched daily via direct deposit to their bank account or bitcoin wallet. Merchants can specify what percentage of payments are converted.

BitPay is a great company for a merchant to quickly, easily and efficiently begin accepting bitcoins. They have signed up more than 1,000 merchants and currently process approximately 1,000-2,000 bitcoins per day for restaurants, a dental office, computer supplier and many others¹¹.

¹¹ <http://finance.yahoo.com/news/bitpay-exceeds-1-000-merchants-130000458.html>

EASY, FAST AND LITTLE RISK

Your ISP may keep logs of all your Internet traffic. One way to increase the privacy of your browsing habits is to use a Virtual Private Network (VPN). But what good is a VPN if it can be tied to your identity via a credit or debit card? Never trust a VPN that doesn't accept bitcoins. Hence why we recommend [Private Internet Access](#) where a year subscription is \$39.95. This should be your first Bitcoin purchase and a second purchase should be [Mega Upload](#) which provides zero-knowledge encrypted file storage.

What if you want cold hard cash? Well, there are easy solutions. Use [LocalBitcoins.com](#) to meet people at the local coffee shop or mall. Or get an American Express Prepaid Card¹² and this video¹³ (click View Demo) explains how a MoneyPak works. But how do you get a MoneyPak?

Well, [BTC Pak](#) has sold over \$50,000 worth and BitMit.net¹⁴ also offers them. The fees are about 6-10% but the ease and speed are great. There are hundreds of merchants listed on the wiki Trade page¹⁵ and merchants may offer significant discounts for bitcoin payments.

The main risks of spending bitcoins is sending to an incorrect address, dealing with a disreputable or untrustworthy merchant since payments are irreversible like cash and getting a bad deal. With fees both into and out of bitcoins you will want to be careful spending them.

For example, I offer discounts of about 40% with various books and guides¹⁶ when paid via bitcoins using the [CoinDL.com](#) online store. Ninja

¹² <http://americanexpress.com/prepaid>

¹³ <https://www.moneypak.com/ReloadHowItWorks.aspx#>

¹⁴ <https://bitmit.net/en/q/?q=moneypak>

¹⁵ <https://en.bitcoin.it/wiki/Trade>

¹⁶ <https://www.coindl.com/page/author/61>

strategies include my guide [A Lawyer's Take On Bitcoin And Taxes](#)¹⁷ or the combined [Get Your Gold Out Of Dodge & Bank Privacy Report](#).¹⁸

So be sure to spread the word to merchants about Bitcoin, perhaps give them this free beginner's guide, and ask for a discount. In this economy many merchants will take payment however they can get it. And cash has always been king!

¹⁷ <https://www.coindl.com/page/item/104>

¹⁸ <http://www.coindl.com/page/item/456>

SPECULATE OR INVEST

There are two ways to either speculate or invest with bitcoins.

First, you can do a pure speculation on the currency appreciation relative to fiat currencies, gold, silver, etc. Bitcoins have outperformed gold over the last few years and gold has outperformed all major national fiat currencies.

Second, you can invest in bitcoin denominated investments.

There are a few Bitcoin related stock, bond, option and futures markets. But **beware** as previously largest exchange GLBSE **failed**¹⁹. Places to experiment include [Crypto Stocks](#), [BitFunder](#), [BTC Trading Corp.](#) and [CoinBR](#) which is a brokerage for the incredibly non-user friendly [MPEx](#).

The interest rate on a currency is dependent on the underlying strength of the economy using it. Since the United States and Eurozone are so weak the yields have been in a zero-interest rate environment for years.

Of course, bitcoin investments should be treated as highly speculative and you should do as much due diligence as you feel comfortable with before deciding whether to speculate or invest any capital in either bitcoins or bitcoin denominated investments. There is risk of fraud, embezzlement, etc.

But there is also tremendous opportunity. When you invest in a high-yield investment where compounding is possible while denominated in a strengthening currency then your returns in the base numeraire, like dollars, euros or gold, can be multiplied.

If you begin any serious investment in the Bitcoin economy then I highly recommend you get a copy of [A Lawyer's Take On Bitcoin and Taxes](#)²⁰ because it will help you understand the lay of the land for tax law and perhaps provide you with some creative ideas or solutions.

¹⁹ <http://bitcoinmagazine.com/interview-with-glbses-nefario/>

²⁰ <https://www.coindl.com/page/item/104>

START A BITCOIN BUSINESS

Another way to invest bitcoins is by accepting bitcoins with one of your current businesses or by starting a new Bitcoin business. Two examples are [Bit-Pay](#) and [Paysius](#) which offers a complete set of merchant tools to help businesses accept bitcoins²¹. Two business that accept bitcoins are the [Bitcoin Magazine](#) and [George's Famous Baklava](#).

You may not have heard the story of Jim, Donna and Noah²². Jim had sold his business and began traveling the world. Donna, his sister, would occasionally send him money via Western Union. During one transaction she was arbitrarily placed on the Terrorist Watch List for attempting to send him money. Noah, Donna's 20-something year old son, also attempted to send Jim money and was likewise placed on the Terrorist Watch List. There was no due process, no reason given and no known ability to appeal.

You can start your own Bitcoin business easily and for free to meet the market need for money remittance using [Local Bitcoins](#) where anyone can buy or sell bitcoins in person and avoid being placed on any potential lists.

Another option is [CoinURL](#) which is an advertising network like Google's AdSense. You can either buy or sell advertising. While the network is not very large yet, and therefore EPC and EPM is not as high as it AdSense, you do make payments and get paid in bitcoins and there is no 1099 or other tax forms although you could still incur tax liability (See [A Lawyer's Take On Bitcoin And Taxes](#) for further discussion).

There is tremendous market opportunity in the money remittance industry. For example, Western Union's 2010 annual gross revenues were about \$5.2 billion with 84% happening between private individuals. To send \$1,000 from the United States to Mexico would cost about \$30. From the United States to Germany would be about \$68 plus currency conversion fees. Could you provide the service faster, cheaper or with more privacy?

²¹ <http://www.howtoacceptbitcoin.com/>

²² <http://lewrockwell.com/orig13/card-l1.1.1.html>

Remember, if you do meet someone in person to exchange cash and/or bitcoins then remember to follow best safety practices like meeting at a public place, protect your identity by not allowing your car or license plate to be seen by them, protect your password or computer securely, know how to identify counterfeit fiat currency and make sure that a sufficient numbers of confirmations, perhaps 1-6, happen with the transaction.

Bitcoin reduces costs in money, time and privacy.

With extremely low transaction fees and no risk of chargebacks a merchant can recognize a higher profit from transactions.

Bitcoin payments can be made extremely quickly using mobile apps. For experienced users this can take about the same amount or less than using cash or getting a credit or debit card authorization.

In terms of privacy, nothing but cash compares to Bitcoin. As a result, your customers eliminate the risk of identity theft and potential political persecution. Thus, if a merchant fails to accept Bitcoin²³ then customers have significant reasons to question the integrity and honesty of the merchant. After all, why do they want to see my name, credit card number, government issued ID and know the billing address?

Of course, every jurisdiction has different laws that would be applicable so be sure to understand and follow those which are applicable.

²³ <http://www.howtovanish.com/2012/09/why-bitcoin-acceptance-should-be-a-bellweather-of-liberty-proponents/>

CONCLUSION

Bitcoins are a new revolutionary currency with tremendous utility. Over the past year there have been significant innovations making simple secure online storage along with quick and easy acquisition of bitcoins possible. Many merchants are accepting bitcoins and you can effortlessly convert them into national fiat currency.

The real speculative and investment excitement is with the developing capital markets within the Bitcoin economy and outrageous cash-on-cash returns currently being generated there and with private lending.

With services like [BitInstant](#) you can have as little as \$20 worth of bitcoins within an hour. Why not begin experimenting with this innovation to see whether the Bitcoin economy provides you any utility? Paying anonymously for the [Private Internet Access's VPN service](#) is a great first purchase.

After all, with the worldwide monetary and financial system in commotion we see with the Bitcoin economy that monetary innovation is in forward motion like never before. There will be a solution to this gigantic mess and the innovators and creative destroyers will stand to reap tremendous profit. There is a chance that Bitcoin will play a significant role.

With governments engaged in massive quantitative easing, currency controls and intrusive privacy destroying legislation like FACTA then what are your options?

Have you ever thought or taken action to answer the question: If you had to take the last plane out of your country then (1) where would you go and (2) how would you maintain your standard of living?

Bitcoin could very well be your perfect last plane account. There are currently hundreds of thousands of people regularly using it around the globe, wallets cannot be frozen, there are no arbitrary limits and your wealth can, unlike physical gold, easily cross borders as it can exist as nothing but a brainwallet with nothing to declare or have seized at customs.

BITCOIN RELATED VIDEOS

[What Is Bitcoin?](#) (1:44)

This video is a short animated introduction to Bitcoin, made possible with donations from the Bitcoin community.

[Screw Banks](#) (1:00)

Starring: Vampire Squid, Jon Corzyne, Bought Congress, PayPay, The Ben Bernank Printer, and a Colombian Hooker!

[Are Bitcoins and Unusual Hats the Future of Currency?](#) (8:14)

Explains what the new virtual currency Bitcoin is and how it is like other things limited in amount like virtual hats.

[Understanding Bitcoin Security with Trace Mayer](#) (30:39)

An overview video about Bitcoin.

[Bitcoin is the Universal Glue & Open Transactions](#) (9:28)

Discussion with Chris Odom about how Bitcoin is the universal glue in the realm of financial cryptography.

[Expanding the Bitcoin Business Community](#) (39:02)

The reasons why adopting Bitcoin will increase revenue and lower costs for merchants.

[Dr. Edwin Vieira's Speech at GATA Washington Conference](#) (14:59)

Discussion of political currency and the impact on political machinery.

