Crypto Glossary

▼ A

API (Application Programming Interface)

- **Definition**: An API is a set of rules that allows different software applications to communicate with each other. It enables features or data from one service to be used in another application, enabling integration and functionality enhancement without the need for a deep understanding of the underlying code.
- **Context**: For example, APIs are crucial in the crypto payment sector, enabling services to offer seamless transaction experiences. For example, a business can integrate a Cryptocurrency Payment Gateway API like BoomFi to accept crypto, simplifying the payment process for customers who prefer using crypto over traditional payment methods.

Authentication

- **Definition**: Authentication is the process of verifying the identity of a user or device, often as a condition for granting access to a system's features or transactions. In cryptocurrency transactions, it ensures that the payment is initiated by a legitimate source, adding an essential layer of security.
- **Context**: In the domain of crypto payments, authentication mechanisms, such as two-factor authentication (2FA) or biometric verification, are crucial for preventing unauthorized access to funds and ensuring that transactions are conducted securely and reliably.

Altcoins

- **Definition**: Altcoins, which means "alternative coins," refer to crypto other than Bitcoin. They were introduced as alternatives to Bitcoin, offering different features, transaction speeds, and privacy levels.

- **Context**: Altcoins play a crucial role in diversifying the cryptocurrency market and offering investors and users choices beyond Bitcoin. They contribute to innovative blockchain technologies and solutions, such as smart contracts, decentralized finance (DeFi), and more.

AML (Anti-Money Laundering)

- **Definition**: Anti-Money Laundering (AML) refers to a set of laws, regulations, and procedures designed to prevent individuals and entities from hiding illegally obtained funds as legitimate income. AML measures include requiring financial institutions to monitor customers' transactions, report large cash dealings, and take steps to identify and prevent suspicious activities.
- **Context**: AML regulations are critical for maintaining the integrity of the global financial system. Financial institutions, including banks and broker-dealers, are required to implement AML programs to detect and report potentially illicit activities, such as money laundering and terrorism financing. These regulations are implemented by national and international bodies, such as the Financial Action Task Force (FATF), and require institutions to perform customer due diligence (CDD), keep records, and report suspicious activities to relevant authorities. Compliance with AML standards helps prevent financial crimes and contributes to the overall security of the financial system.

Assets Under Management (AUM)

- **Definition**: Assets Under Management (AUM) refers to the total market value of the investments that a financial institution or individual manages on behalf of clients. AUM includes the capital raised from investors and the earnings generated from those investments, and it can fluctuate based on the inflow of investor capital and the performance of the managed assets.
- **Context**: AUM is a key metric used in the finance industry to measure the size and success of investment firms, mutual funds, hedge funds, and other asset managers. It reflects the firm's ability to attract and retain investors' capital, serving as a proxy for the trust and confidence investors place in the firm's management capabilities. Higher AUM can lead to economies of scale, potentially reducing operational costs relative to managed assets and influencing investors' decisions. Asset

managers earn their revenue primarily through management fees, which are often calculated as a percentage of AUM, making it a critical figure for assessing a firm's financial health and operational success.

Atomic Swap

- **Definition**: An Atomic Swap is a technology that enables the exchange of one crypto for another without the need for a trusted third party or centralized exchange. It uses smart contracts to ensure that the transaction occurs only if both parties fulfill their respective obligations simultaneously, hence the term "atomic" for indivisibility.
- **Context**: Atomic Swaps are crucial for facilitating decentralized trading across different blockchain networks, improving liquidity, and enabling a more interconnected cryptocurrency ecosystem. They offer users more control over their transactions, reduce counterparty risks, and eliminate the fees and points of failure associated with traditional exchanges. This technology represents a step towards achieving a fully decentralized financial system.

▼ B

Blockchain

- **Definition**: Blockchain is a distributed ledger technology that records transactions across many computers in such a way that the registered transactions cannot be altered retroactively. This technology underpins cryptocurrencies and allows data to be stored securely and transparently.
- **Context**: Beyond its application in cryptocurrencies, blockchain technology has potential uses in various fields such as supply chain management, healthcare, finance, and more, due to its ability to ensure the integrity and transparency of data records. Its decentralized nature offers advantages in terms of security and trust, making it a revolutionary technology in the digital age.

Blockchain Explorer

- **Definition**: A Blockchain Explorer is an online tool allowing users to view details of transactions within a blockchain. They can search for

transaction histories, wallet balances, and the activity of specific addresses.

- **Context**: Blockchain explorers like Etherscan for Ethereum and Polyscan for Polygon are vital for transparency in cryptocurrency transactions. They help users with the ability to verify transactions independently, fostering trust and security within the ecosystem.

Bitcoin

- **Definition**: Bitcoin is the first decentralized cryptocurrency, operating without a central bank or single administrator. It can be sent from user to user on the peer-to-peer Bitcoin network without the need for intermediaries.
- **Context**: Introduced in 2009 by an unknown person using the name Satoshi Nakamoto, Bitcoin sparked the creation of thousands of other cryptocurrencies. It has become the leading cryptocurrency by market cap and is seen as both an investment asset and a means of payment.

Block Reward

- **Definition**: The Block Reward is the incentive provided to a miner or validator for successfully adding a new block to a blockchain. Typically, it consists of a certain number of newly minted coins and the transaction fees from the transactions included in the block.
- **Context**: Block Rewards are a critical component of many crypto-economic models, providing a way to issue new coins into circulation and incentivizing participants to secure the network. Over time, the block reward may decrease due to a process called halving, which reduces the rate at which new coins are created, influencing the cryptocurrency's supply and potentially its value.

Bounty

- **Definition**: In the context of crypto and blockchain, a Bounty is a reward offered to individuals or groups for completing specific tasks or challenges. These tasks can range from software development, finding vulnerabilities (bug bounties), or promoting a project.
- **Context**: Bounties are used to crowdsource contributions and improvements to a project without hiring full-time staff. This approach

not only accelerates the development and discovery of issues but also promotes a community around the project, constructively engaging enthusiasts and experts alike.

▼ C

CBDC (Central Bank Digital Currency)

- **Definition**: A Central Bank Digital Currency is a digital form of a country's fiat currency, issued and regulated by the nation's central bank. CBDCs aim to provide a new means of payment that combines the convenience of digital currencies with the stability and regulatory framework of traditional money.
- **Context**: CBDCs are gaining attention as central banks around the world explore digital innovations in finance. They could offer benefits such as improved financial inclusion, reduced transaction costs, and improved monetary policy effectiveness. However, CBDCs also raise questions about privacy, financial stability, and the changing role of commercial banks.

Crypto Payout

- **Definition**: A Crypto Payout refers to the process of disbursing payments in the form of cryptocurrency instead of traditional fiat currency. This can apply to freelance work, employee salaries, customer refunds, or any other type of payment.
- **Context**: Crypto Payouts offer an efficient, low-cost alternative for international payments, bypassing the fees and delays associated with traditional banking systems. They are becoming increasingly popular among businesses and individuals seeking flexibility and efficiency in their transactions. However, volatility in cryptocurrency values and regulatory considerations remain challenges for broader adoption.

Example: Boomfi's Crypto Payout

Centralized Exchange (CEX)

- **Definition**: A Centralized Exchange (CEX) is a platform that facilitates the buying, selling, and trading of cryptocurrencies, operating as a third-party intermediary between buyers and sellers. Users of CEXs

trust the platform to manage their assets, which are stored in exchange-controlled wallets.

- **Context**: Centralized Exchanges play a key role in the cryptocurrency market, offering user-friendly interfaces, liquidity, and a wide variety of trading pairs. Notable examples include Binance, Coinbase, and Kraken, These platforms are known for their enhanced trading features such as margin trading, futures, and fiat-to-crypto transactions. However, their centralized nature raises concerns regarding security, privacy, and control over one's digital assets, leading to the exploration of decentralized alternatives by the crypto community.

Circulating Supply

- **Definition**: Circulating Supply refers to the number of cryptocurrency tokens or coins that are publicly available and circulating in the market. It excludes tokens that are locked, reserved, or not yet released.
- **Context**: The concept of Circulating Supply is crucial for understanding the market value of crypto. It is used, alongside the current price of the cryptocurrency, to calculate its market capitalization. Cryptocurrencies like Bitcoin have a cap on their maximum supply, making their circulating supply a key factor in demand and valuation analyses. Investors and analysts use circulating supply to assess the liquidity and potential price appreciation of a cryptocurrency.

Confirmation Time

- **Definition**: Confirmation Time is the duration it takes for a cryptocurrency transaction to be verified and added to the blockchain. This time can vary significantly across different blockchain networks.
- **Context**: The speed of transaction confirmations is an important consideration for the usability and efficiency of a cryptocurrency. For instance, Bitcoin transactions typically take about 10 minutes to confirm, while transactions on the Ethereum network might have faster or slower confirmation times depending on network congestion and gas fees paid. A shorter confirmation time enhances the user experience, especially for time-sensitive transactions, but might also require more sophisticated consensus mechanisms to maintain network security.

Collateral

- **Definition**: In the context of cryptocurrency, Collateral refers to assets that are pledged as security for repayment of a loan or performance of an obligation in a DeFi platform or other blockchain-based financial arrangement.
- **Context**: Collateral is a foundational concept in decentralized finance (DeFi), where it enables lending, borrowing, and other financial services without traditional credit checks. Cryptocurrencies like Ether (ETH) can be used as collateral to borrow other assets or participate in financial protocols. The requirement for collateral addresses the trustless nature of blockchain transactions, ensuring parties are protected in the absence of centralized intermediaries.

Crypto Payment Link

- **Definition**: A Crypto Payment Link is a URL that directs users to a payment gateway to complete a transaction using cryptocurrencies. It simplifies the process of sending and receiving crypto payments by abstracting away the need to enter long wallet addresses manually.
- **Context**: Crypto Payment Links are increasingly used by businesses and individuals to facilitate easy and secure payments for goods, services, and donations. These links are compatible with various cryptocurrencies and can be integrated into invoices, emails, or social media, offering a versatile payment solution. They represent a significant advancement in making cryptocurrency transactions more accessible to the general public, enhancing the user experience in digital commerce for example offered BoomFi Crypto Payment Link.

Example: BoomFi Crypto Payment Link product offers a solution for businesses and individuals to generate payment links, enabling customers to make payments with cryptocurrencies.

Crypto Payment Gateway

- **Definition**: A Crypto Payment Gateway enables businesses to accept payments in various cryptocurrencies.
- **Context**: These gateways facilitate the wider adoption of cryptocurrencies as a legitimate means of payment across online and offline merchants. They offer advantages such as lower transaction fees, increased security, and access to a global customer base.

Example: Boomfi Crypto Payment Gateway provides a seamless integration for businesses looking to accept crypto payments, supporting a variety of cryptocurrencies and offering a user-friendly interface for both merchants and customers.

Custodial Payment Gateway

- **Definition**: A custodial payment gateway is a type of crypto payment gateway where the gateway provider holds and manages the funds on behalf of the user during the transaction process. This setup is the same as traditional banking services where the institution oversees your funds, offering added security and convenience. In the context of cryptocurrency payments, a custodial gateway might store, transfer, or convert crypto on behalf of the business or individual, ensuring transactions are secure and compliant with regulatory standards.
- **Context**: For businesses using BoomFi, a custodial payment gateway might simplify the process of accepting crypto payments by managing the complexity of wallet management and security, providing a straightforward way to accept digital currencies without needing in-depth blockchain knowledge.

▼ D

Dapp (Decentralized Application)

- **Definition**: A Dapp is an application that runs on a decentralized network, avoiding a single point of failure and control by using blockchain technology.
- **Context**: Dapps can offer various services similar to those of conventional apps but with the added benefits of blockchain, such as enhanced security, transparency, and resistance to censorship. They are a cornerstone of the DeFi (Decentralized Finance) and Web3 movements, with applications ranging from games to financial services.

DAO (Decentralized Autonomous Organization)

- **Definition**: A DAO is an organization represented by rules encoded as a transparent computer program, controlled by organization members, and not influenced by a central government.

- **Context**: DAOs are an innovative form of governance and organizational structure, enabled by smart contracts primarily on the blockchain. They allow for decentralized decision-making and autonomous operations, with members voting on key decisions and proposals. DAOs have been used for venture capital funds, charitable organizations, and community governance.

DeFi (Decentralized Finance)

- **Definition**: DeFi refers to financial services that operate on blockchain networks, without the need for traditional financial intermediaries like banks, brokers, or exchanges.
- **Context**: DeFi platforms offer services such as lending, borrowing, trading, and earning interest in a decentralized manner. They aim to create a more open, accessible, and transparent financial system. DeFi has seen rapid growth, showcasing the potential of blockchain to revolutionize finance.

Decentralized Exchange (DEX)

- **Definition**: A Decentralized Exchange (DEX) is a platform that enables users to trade cryptocurrencies directly with one another without the need for an intermediary, using smart contracts to facilitate transactions. Assets are never held by an intermediary; instead, trades are executed directly between users' wallets.
- **Context**: DEXs, such as Uniswap, SushiSwap, and PancakeSwap emphasize the ethos of decentralization inherent to blockchain technology, offering increased privacy, security, and autonomy over one’s assets. They are integral to the DeFi (Decentralized Finance) ecosystem, supporting a variety of tokens, including those not listed on centralized exchanges. Challenges for DEXs include lower liquidity compared to their centralized counterparts and a steeper learning curve for users unfamiliar with blockchain technology.

DYOR (Do Your Own Research)

- **Definition**: DYOR is an acronym advising individuals to research and analyze an investment thoroughly before committing to it, rather than relying on the opinion of others.

- **Context**: In the rapidly evolving and sometimes speculative crypto market, DYOR underscores the importance of self-education and due diligence. Investors are encouraged to understand the technology, read whitepapers, evaluate the team behind a project, and assess market conditions.

DCA (Dollar Cost Averaging)

- **Definition**: DCA is an investment strategy in which an investor divides up the total amount to be invested across periodic purchases of a target asset to reduce the impact of volatility on the overall purchase.
- **Context**: The practice is commonly used in the crypto market to avoid the risks associated with price fluctuations. By spreading out the investment over time, investors can potentially lower the average purchase cost of the asset.

▼ E

ERC-20

- **Definition**: ERC-20 is a technical standard used for smart contracts on the Ethereum blockchain for implementing tokens. It defines a common list of rules that an Ethereum token must stick to.
- **Context**: ERC-20 tokens facilitate the creation of a standardized token interface, ensuring compatibility with the broader Ethereum ecosystem, including wallets and decentralized exchanges. Many of the initial coin offerings (ICOs) and tokens launched on Ethereum follow the ERC-20 standard.

Ethereum

- **Definition**: Ethereum is a decentralized, open-source blockchain system that features smart contract functionality. It is the second-largest cryptocurrency platform by market capitalization, after Bitcoin.
- **Context**: Ethereum enables developers to build and deploy decentralized applications (Dapps) and is widely used for ICOs. Its native cryptocurrency, Ether (ETH), is used to compensate participating nodes for computations performed. Ethereum's versatility and programmability have made it a foundational component of the DeFi and NFT (Non-Fungible Token) sectors.

EVM (Ethereum Virtual Machine)

- **Definition**: The EVM is the runtime environment for smart contracts in Ethereum, allowing them to execute in a completely isolated and sandboxed environment.
- **Context**: The EVM enables developers to create applications that execute exactly as programmed without any possibility of downtime, censorship, fraud, or third-party interference. It is a crucial part of Ethereum's architecture, ensuring the security and functionality of decentralized applications on its blockchain.

▼ F

Fiat

- **Definition**: Fiat money is a government-issued currency that is not backed by a physical commodity, like gold or silver, but by the trust that people and governments have in it.
- **Context**: Fiat currencies such as the US Dollar, Euro, and Japanese Yen are the standard means of exchange in the global economy. They are crucial for modern banking systems and are typically managed by central banks which regulate their supply and value to maintain economic stability.

Forex (FX)

- **Definition**: Forex, or FX, stands for foreign exchange and refers to the global marketplace for trading national currencies against one another.
- **Context**: The forex market is the largest and most liquid financial market in the world, with trillions of dollars traded daily. It operates 24 hours a day and involves a range of participants from central banks and financial institutions to individual investors.

Fungibility

- **Definition**: Fungibility is a property of a good or asset where individual units are interchangeable and indistinguishable from each other.
- **Context**: In the context of cryptocurrencies, fungible tokens are those like Bitcoin or Ethereum, where each unit is the same as every other

unit. This characteristic is essential for cryptocurrencies to function as a medium of exchange.

FPS (Faster Payments Service)

- **Definition**: The Faster Payments Service is a UK banking initiative aimed at reducing payment times between different banks' customer accounts to a few seconds. Launched in 2008, FPS supports both immediate payments and future-dated payments, offering a more efficient alternative to traditional bank transfer systems.
- **Context**: FPS has significantly improved the speed at which people can make and receive payments in the UK, allowing for almost instant transfers 24/7, including weekends and holidays. This service is utilized for a variety of payment needs, from personal transfers between family and friends to business transactions. Most banks and building societies in the UK are part of this scheme, providing their customers with the ability to send up to £250,000 per transaction, depending on the institution. The introduction of FPS has led to the development of new financial products and services, including mobile and online banking apps that offer immediate money transfers as a feature.

▼ G

GAS

- **Definition**: In the Ethereum network, gas refers to the unit that measures the amount of computational effort required to execute operations like transactions or smart contracts.
- **Context**: Gas is used to allocate resources to the Ethereum virtual machine so that developers can control the costs of running their applications. It prevents spam on the network and allocates resources proportionally to the incentive offered by the request.

GWEI

- **Definition**: Gwei is a denomination of the cryptocurrency ether (ETH), used on the Ethereum network to measure transaction fees. 1 Gwei equals 0.000000001 ETH.
- **Context**: Gwei is commonly used when setting gas prices for Ethereum transactions. The term helps users understand transaction costs

without dealing with many decimal places.

Genesis Block

- **Definition**: The genesis block is the first block of a blockchain, marking the beginning of the network.
- **Context**: In Bitcoin, the genesis block was created by Satoshi Nakamoto in 2009, containing a reference to a newspaper headline of that time. This block is hardcoded into the software of applications that use its blockchain.

GM (web3 slang)

- **Definition**: "GM" stands for "good morning" and is a common greeting among members of the web3 community, emphasizing positivity and mutual support.
- **Context**: It symbolizes the friendship and optimistic outlook shared by individuals in the blockchain, cryptocurrency, and decentralized technology spaces. GM is often used on social media platforms and during live interactions within the community.

▼ H

Halving

- **Definition**: Halving refers to the reduction of mining rewards by half, which occurs at predetermined intervals in a blockchain network like Bitcoin.
- **Context**: Halving helps control the inflation of a cryptocurrency by reducing the rate at which new coins are created, thus potentially increasing the value of the currency if demand remains steady or increases.

Hash

- **Definition**: A hash is a function that converts an input of letters and numbers into an encrypted output of a fixed length.
- **Context**: In the context of blockchain, hashing is used to secure and verify data. The Bitcoin network, for example, uses the SHA-256

cryptographic hash algorithm to generate new blocks and manage transactions.

Hash Rate

- **Definition**: Hash rate refers to the speed at which a computer is completing an operation in the Bitcoin code, measured in hashes per second.
- **Context**: The hash rate is an indicator of the health and security of the blockchain network. Higher hash rates mean more competition among miners to validate new blocks, thus increasing the security of the network.

HODL

- **Definition**: Originally a typo for "hold," HODL is a term used in the cryptocurrency community to advise holding onto the cryptocurrency rather than selling it.
- **Context**: It has become a backronym for "Hold On for Dear Life." HODL reflects a common strategy among cryptocurrency investors to ride out the highs and lows of market volatility.

▼ I

ICO (Initial Coin Offering)

- **Definition**: An ICO is a fundraising mechanism in which new projects sell their underlying crypto tokens in exchange for crypto. It's somewhat similar to an Initial Public Offering (IPO) in which investors purchase shares of a company.
- **Context**: ICOs serve as a way to raise capital from the public by distributing a portion of the crypto assets to early investors. They have been particularly popular in the blockchain and cryptocurrency sectors. However, ICOs have faced scrutiny and regulatory oversight due to risks including fraud and market manipulation.

IDO (Initial DEX Offering)

- **Definition**: An IDO is a fundraising event that is conducted on a decentralized exchange (DEX). In an IDO, a blockchain project launches

a coin or token via a DEX to raise funds from retail and individual investors.

- **Context**: IDOs allow investors to purchase tokens before they are listed on major exchanges. The appeal of IDOs comes from their lower fees, immediate liquidity, and fairer and more open fundraising opportunities compared to traditional ICOs and IEOs.

IEO (Initial Exchange Offering)

- **Definition**: An IEO is a cryptocurrency fundraising mechanism that is managed by an existing crypto exchange on behalf of the startup that seeks to raise funds with its newly issued tokens.
- **Context**: As the exchange takes a percentage of the tokens sold by the startup, the IEO participants trust the exchange to vet the projects that are accepting investments. This has made IEOs popular as a safer alternative to ICOs because the exchange assumes a level of responsibility for due diligence.

IPFS (InterPlanetary File System)

- **Definition**: IPFS is a protocol and peer-to-peer network for storing and sharing data in a distributed file system.
- **Context**: IPFS uses content-addressing to uniquely identify each file in a global namespace connecting all computing devices. It aims to make the web faster, safer, and more open. IPFS has become crucial in decentralized application (dApp) development, particularly in projects aiming to enhance web decentralization.

Isolated Margin

- **Definition**: Isolated margin is a risk management tool that allows for the separation of specific trading positions into distinct segments, each with its own dedicated margin balance.
- **Context**: This approach limits potential losses to the initial margin allocated to a position, protecting other assets in the trader's account from being liquidated. It is particularly useful in managing risk in highly volatile trading environments such as cryptocurrency markets.

Interoperability

- **Definition**: Interoperability refers to the ability of computer systems or software to exchange and make use of information shared among them.
- **Context**: In the context of blockchains, interoperability is the ability for different blockchain systems and applications to work together seamlessly. Projects like Polkadot and Cosmos are at the forefront of building interoperable blockchains, which can lead to greater efficiency and broader adoption of blockchain technology.

▼ K

KYC (Know Your Customer)

- **Definition**: KYC is the process of a business identifying and verifying the identity of its clients. In the financial industry, this process is crucial to comply with anti-money laundering laws.
- **Context**: KYC procedures are especially important in the cryptocurrency world to prevent fraud and illegal activities. Exchanges and wallets require users to complete KYC checks to enhance security, limit fraud, and meet regulatory standards.

KYB (Know Your Business)

- **Definition**: KYB, or Know Your Business, is a verification process that involves understanding the true nature and structure of other businesses with which you engage. This process includes verifying the identity of the business, understanding the nature of the business's activities, and assessing the integrity and reputation of the business.
- **Context**: KYB is particularly important in the financial sector, where companies must comply with anti-money laundering (AML) regulations and counter-terrorism financing (CTF) standards. By conducting KYB, companies can ensure they are dealing with legitimate entities and mitigate risks associated with fraud and financial crimes. This process is similar to KYC (Know Your Customer), but it focuses on business clients rather than individual consumers. KYB is critical for establishing and maintaining trust between businesses in all industries, ensuring that transactions and partnerships are conducted securely and ethically.

▼ L

Ledger

- **Definition**: In cryptocurrency, a ledger is a digital record that keeps track of all transaction history of the network. It is distributed across all participants of the blockchain network.
- **Context**: The blockchain ledger is decentralized and transparent, ensuring that all transactions are accurately recorded and accessible to all users on the network, thus preventing fraud and enhancing security.

Layer 1

- **Definition**: Layer 1 refers to the base architecture of a blockchain network. Examples include Bitcoin's blockchain and Ethereum's blockchain.
- **Context**: These foundational layers offer the main framework for the blockchain, including its consensus algorithm and native tokens. Innovations in Layer 1 technology focus on improving scalability and security directly on the main blockchain.

Layer 2

- **Definition**: Layer 2 is a secondary framework or protocol that is built on top of an existing blockchain system. The main goal of Layer 2 technologies is to solve the transaction speed and scaling issues faced by the major cryptocurrency networks.
- **Context**: Examples of Layer 2 solutions include Lightning Network for Bitcoin and Plasma for Ethereum, which operate on top of the base layer and are intended to increase transaction throughput without compromising the decentralized security model of the underlying blockchain.

Layer 3

- **Definition**: Layer 3 in the blockchain context refers to an application layer that is built on top of Layer 2. It consists of user-facing applications and services that utilize the underlying blockchain infrastructure.
- **Context**: Layer 3 applications are designed to enhance user experience by providing more accessible and functional interfaces for interacting with blockchain technologies. They play a crucial role in the adoption of

blockchain and include things like wallets, DApps, and other user interfaces.

Lightning Network

- **Definition**: The Lightning Network is a "Layer 2" payment protocol designed to be layered on top of a blockchain-based cryptocurrency such as Bitcoin. It enables fast transactions between participating nodes and has been praised as a solution to the Bitcoin scalability problem.
- **Context**: By enabling user-created channels for transactions, the Lightning Network allows for large volumes of transactions to be processed quickly and cheaply. It is a significant part of Bitcoin's Layer 2 scaling solutions, helping to accommodate more users and transactions.

Limit Order

- **Definition**: In the cryptocurrency world, a limit order refers to a request to buy or sell a cryptocurrency at a specified price.
- **Context**: On crypto exchanges, limit orders are used by traders to control the price at which they trade, offering greater precision over trading strategies compared to market orders.

Liquid Staking

- **Definition**: Liquid staking is a process in decentralized finance (DeFi) where users stake their cryptocurrency tokens in a protocol to earn staking rewards, while still maintaining liquidity through tradeable derivative tokens.
- **Context**: This process allows stakers to participate in network security and consensus while also being able to use their staked assets for other investment opportunities. It addresses the liquidity issue typically associated with traditional staking in PoS (Proof of Stake) networks.

Listing

- **Definition**: In the cryptocurrency market, listing refers to the addition of a new coin or token to a crypto exchange, enabling it to be traded on that platform.

- **Context**: A listing on a major exchange often leads to increased visibility, credibility, and trading volume for the token. It is a significant event in the lifecycle of a cryptocurrency project, often impacting the price and market perception of the listed asset.

Liquidity Provider

- **Definition**: A liquidity provider is an individual or entity that funds a liquidity pool with cryptocurrency assets to facilitate trading on a platform, typically a decentralized exchange (DEX).
- **Context**: Liquidity providers earn transaction fees based on the trading volume that goes through the pool, compensating them for providing capital and taking on the risk of price fluctuations. This role is fundamental to the functionality of decentralized finance (DeFi) ecosystems, ensuring that there is enough liquidity for efficient market operations.

▼ M

Mainnet

- **Definition**: A mainnet is the primary network where actual transactions take place on a blockchain that is fully executed and recorded.
- **Context**: It is the live environment where the native cryptocurrency has real economic value, contrasting with testnets, which are used for testing and development purposes. Mainnets signify the launch of the operational phase of a blockchain project.

Maximum Supply

- **Definition**: The maximum supply is the total number of coins or tokens that will ever exist for a cryptocurrency.
- **Context**: This cap is defined by the cryptocurrency's protocol and cannot be changed once set. Bitcoin’s maximum supply, for example, is capped at 21 million coins, a policy meant to introduce scarcity to help control inflation.

Metaverse

- **Definition**: The metaverse is a collective virtual shared space, created by the convergence of virtually improved physical and digital reality. It is

physically persistent and provides enhanced immersive experiences.

- **Context**: As a prominent example, platforms like Decentraland and The Sandbox allow users to create, buy, and sell digital assets in a virtual world. The concept has gained substantial interest for its potential in social interaction, gaming, and virtual commerce.

Market Cap

- **Definition**: In the domain of cryptocurrencies, market capitalization (market cap) signifies the total value of all mined or issued tokens of a particular cryptocurrency, determined by multiplying the current market price of a single token by the total number of tokens in circulation. It serves as a critical metric for evaluating the overall size and worth of a cryptocurrency in comparison to others within the market.
- **Context**: The market cap of a cryptocurrency is a fundamental indicator for investors and analysts to assess its market position, potential for growth, and risk level. Cryptocurrencies are often categorized into different groups based on their market cap—large-cap (established, lower risk), mid-cap (moderate risk and potential for growth), and small-cap (higher risk and volatility). A higher market cap usually implies a more stable investment, as it reflects a wider acceptance and utilization of the cryptocurrency. However, investors need to consider other factors as well, such as liquidity, trading volume, and the underlying technology of the cryptocurrency, to get a comprehensive understanding of its potential for success and stability in the highly volatile crypto market. Market cap is extensively used as a comparative tool, allowing investors to make informed decisions by evaluating the relative size, investment risk, and growth prospects of different cryptocurrencies.

Minting

- **Definition**: In the context of cryptocurrency, minting is the process of validating information, creating a new block, and recording that information into the blockchain.
- **Context**: For non-fungible tokens (NFTs), minting refers to the process of publishing a unique instance of an NFT on the blockchain, making it tradeable and verifiable.

▼ N

NFT (Non-Fungible Token)

- **Definition**: A non-fungible token (NFT) is a type of digital asset that represents ownership of a unique item or piece of content, such as art, music, or videos, using blockchain technology.
- **Context**: NFTs are typically one of a kind, or at least one of a very limited run, and have unique identifying codes. This uniqueness and scarcity lead to their value. Notable platforms for NFTs include OpenSea and Rarible.

NFT Floor Prices

- **Definition**: The floor price of an NFT is the lowest price at which an NFT within a particular collection is listed for sale on the marketplace.
- **Context**: This metric is often used by investors and collectors to gauge the entry price and overall liquidity of a specific NFT collection.

Node

- **Definition**: A node is a computer connected to a cryptocurrency network that supports the network through either relaying transactions, validation, or hosting a copy of the blockchain.
- **Context**: In the context of Bitcoin, a full node validates transactions and blocks, implementing the consensus rules of the network.

Non-Custodial Payment Gateway

- **Definition**: Unlike its custodial counterpart, a non-custodial payment gateway allows users to retain full control of their wallets and private keys throughout the transaction process. This model emphasizes user sovereignty and security, reducing the risk of third-party mismanagement or breaches. However, it requires a higher level of technical knowledge from the user to manage transactions and ensure security.
- **Context**: A non-custodial payment gateway offers the freedom and flexibility to manage their crypto payments directly, appealing to those with a strong preference for maintaining personal control over their digital assets.

For example: BoomFi is a non-custodial payment gateway

▼ O

Off-Chain

- **Definition**: Off-chain refers to transactions that occur outside the blockchain and are not recorded on the blockchain ledger.
- **Context**: These transactions can be faster and less costly, using other record-keeping methods that are secured by cryptography, similar to on-chain mechanisms.

On-Chain

- **Definition**: On-chain refers to transactions and processes that occur on the blockchain and are recorded on the ledger, making them immutable and transparent.
- **Context**: This term is used to differentiate from off-chain processes, which might not adhere to the same levels of transparency.

On-Ramp

- **Definition**: An on-ramp in the context of cryptocurrency refers to converting their fiat currency (such as USD, EUR, GBP) into cryptocurrencies. On-ramping is performed by platforms that typically involve exchanges or financial services that facilitate the buying of crypto using traditional banking methods like credit cards or bank transfers.
- **Context**: On-ramps play a crucial role in the cryptocurrency ecosystem by bridging the traditional financial world and the cryptocurrency space. Platforms like BoomFi, Binance, and Kraken are examples of on-ramp platforms. They enable new users to enter the crypto market by making the process of purchasing cryptocurrencies straightforward and compliant with regulatory standards. On-ramps are essential for the growth and adoption of cryptocurrencies, as they simplify the transition from fiat to crypto for a broader audience.

Off-Ramp

- **Definition**: Contrarily, an off-ramp in cryptocurrency refers to converting crypto back into fiat currency (such as USD, EUR, or GBP).

This process involves selling cryptocurrencies on an exchange or platform that supports fiat withdrawals, enabling users to transfer the resulting funds to their bank accounts or redeem them through other withdrawal methods.

- **Context**: Off-ramps are critical for the liquidity and usability of cryptocurrencies, allowing users to easily convert their crypto assets into spendable fiat currency. Platforms like BoomFi, Binance, and Kraken are examples of off-ramp platforms, facilitating the broader integration of cryptocurrencies into everyday financial activities. It is also crucial for investors looking to realize their profits in a traditional currency form and for users requiring fiat currency for daily expenses, thus bridging the gap between crypto and traditional economies.

Order Book

- **Definition**: An order book is a list of buy and sell orders organized by price level for a specific asset.
- **Context**: It is used on exchanges to provide traders with a view of the market depth and to assist in decision-making processes. It reflects the liquidity of the asset.

▼ P

Peer to Peer (P2P)

- **Definition**: Peer-to-peer, or P2P, refers to direct interactions between parties in a network without the need for centralized intermediaries.
- **Context**: This model is foundational to many cryptocurrency transactions, such as those performed on Bitcoin's network, where transactions are directly between sender and receiver.

Phishing

- **Definition**: Phishing is a type of social engineering attack often used to steal user data, including login credentials and credit card numbers.
- **Context**: In the crypto world, phishing attacks may involve tricking the victim into providing private keys or clicking malicious links aimed at stealing cryptocurrencies.

Ponzi Scheme

- **Definition**: A Ponzi scheme is a form of fraud that attracts investors and pays profits to earlier investors with funds from more recent investors.
- **Context**: The scheme leads victims to believe that profits are coming from legitimate business activities, while in reality, it is the money of new investors. The collapse is inevitable when the flow of new investors dries up.

Price Action

- **Definition**: Price action refers to the movement of an asset's price plotted over time. In the context of cryptocurrencies, price action is primarily analyzed through charts and technical analysis to make trading decisions.
- **Context**: Traders use patterns in the price action to predict future movements and make buy or sell decisions based on these technical indicators.

Private Key

- **Definition**: A private key is a secure digital code known only to the owner that allows them to sign transactions and access their cryptocurrency.
- **Context**: It is crucial for maintaining the security of one's digital assets and should never be shared. If someone else obtains it, they can control the assets it secures.

PoR (Proof of Reserves)

- **Definition**: Proof of Reserves is a way for a party, typically a cryptocurrency exchange, to prove to customers that it holds sufficient reserves to cover all customer deposits.
- **Context**: This mechanism is used to ensure transparency and build trust between users and exchanges, especially following high-profile bankruptcies and fraud in the industry.

PoS (Proof of Stake)

- **Definition**: Proof of Stake is a consensus mechanism where block validators are selected based on the number of coins they hold and are willing to "stake" (lock up) as collateral.

- **Context**: It is seen as a more energy-efficient alternative to Proof of Work, used by networks like Ethereum 2.0.

PoW (Proof of Work)

- **Definition**: Proof of Work is a consensus algorithm that requires a participant node to expend effort solving an arbitrary mathematical puzzle to prevent frivolous or malicious uses of computing power.
- **Context**: PoW is the original consensus algorithm in a blockchain network, used in Bitcoin to confirm transactions and produce new blocks to the chain.

Public Key

- **Definition**: A public key is a cryptographic code that allows a user to receive cryptocurrencies into his or her account.
- **Context**: It is derived from the private key and is used to create addresses that can be shared publicly, unlike the private key.

Pump and Dump

- **Definition**: Pump and dump is a manipulative scheme that attempts to boost the price of a stock or a cryptocurrency by promoting false, misleading, or greatly exaggerated statements.
- **Context**: The perpetrators of this scheme already have an established position in the company's stock or crypto and sell their positions after the hype has led to a higher share price. This practice is illegal in traditional markets and highly discouraged in cryptocurrency markets.

▼ R

RWAs (Real-World Assets)

- **Definition**: Real-world assets (RWAs) refer to tangible and intangible assets that exist outside of the blockchain and digital space, such as real estate, commodities, or financial instruments, that are tokenized or represented on a blockchain.
- **Context**: The tokenization of RWAs on blockchain platforms enables these assets to be bought, sold, or traded in fractional shares, making

previously illiquid assets more accessible and tradable. This concept is central to expanding the use cases of DeFi (Decentralized Finance).

Rekts

- **Definition**: "Rekt" is a slang term derived from "wrecked," indicating significant financial loss or failure, especially within the cryptocurrency market.
- **Context**: It is commonly used in crypto trading communities to describe a bad investment outcome, such as when a trader makes a significant loss due to the market turning against them.

RSI (Relative Strength Index)

- **Definition**: The Relative Strength Index (RSI) is a momentum oscillator used in technical analysis that measures the speed and change of price movements on a scale of 0 to 100.
- **Context**: It is used to identify overbought or oversold conditions in the trading of an asset. An RSI above 70 typically indicates that an asset may be overbought, while an RSI below 30 indicates oversold conditions.

Recurring Crypto Payments

- **Definition**: Recurring Crypto Payments refer to the automated, scheduled transfer of crypto from one wallet to another based on pre-established intervals. This financial arrangement is used to facilitate regular transactions such as subscription services, membership fees, or periodic donations without the need for manual processing each time.
- **Context**: The adaptation of recurring payment systems to the cryptocurrency domain represents a significant advancement in making crypto a practical choice for everyday transactions. By providing a system that automates regular payments, businesses and consumers can leverage the efficiency and borderless nature of cryptocurrencies for ongoing services. This technology is crucial for integrating crypto into mainstream commerce where subscription-based models are prevalent.

Example: BoomFi's Recurring Crypto Payments enable businesses to easily set up and manage subscriptions and other recurring payments using

cryptocurrencies.

Rug Pull

- **Definition**: A rug pull is a malicious plot in the cryptocurrency industry where crypto developers abandon a project and run away with investors' funds.
- **Context**: This term is prevalent in the DeFi space, where the lack of regulation can sometimes allow for such scams to occur. Rug pulls are a significant risk when investing in new and unverified projects.

Real-time payments (RTP)

- **Definition**: Real-time payments (RTP) refer to electronic payment systems that enable the instant transfer of funds between banks or financial institutions on a 24/7 basis. Unlike traditional payment systems that may take days to process transactions, RTP systems complete transfers within seconds or minutes, regardless of the time or day.
- **Context**: The adoption of RTP systems has been growing globally, with countries implementing their versions to improve the efficiency of their financial infrastructure. These systems not only expedite the movement of money but also support the immediate confirmation of transactions, benefiting both consumers and businesses. RTP systems are essential to modern financial ecosystems, enabling innovation in payment services, improving cash flow management, and enabling new business models.

▼ S

Satoshi

- **Definition**: Satoshi is the smallest unit of the Bitcoin cryptocurrency, named after Satoshi Nakamoto, the pseudonymous creator of Bitcoin.
- **Context**: One Bitcoin is divisible to eight decimal places, and one Satoshi is equal to 0.00000001 Bitcoin. This unit allows for transactions of very small amounts of Bitcoin.

Satoshi Nakamoto

- **Definition**: Satoshi Nakamoto is the pseudonym used by the unknown person or group of people who developed Bitcoin, authored the Bitcoin

white paper, and created and deployed Bitcoin's original reference implementation.

- **Context**: As part of the implementation, Nakamoto also devised the first blockchain database. The true identity of Satoshi Nakamoto remains unknown.

SAFU (Secure Asset Fund for Users)

- **Definition**: SAFU is an emergency insurance fund concept initiated by Binance to protect users' interests in extreme cases. The term itself became popular following a humorous mispronunciation of "safe" by Binance CEO, Changpeng Zhao.
- **Context**: The fund is financed by allocating a portion of trading fees to ensure that users are compensated in the event of a security breach.

SEC (Securities and Exchange Commission)

- **Definition**: The SEC is a U.S. federal agency responsible for enforcing federal securities laws and regulating the securities industry, the nation's stock and options exchanges, and other related activities and organizations.
- **Context**: In the context of cryptocurrency, the SEC plays a critical role in regulating initial coin offerings (ICOs) and ensuring that digital assets comply with U.S. securities laws.

Seed Phrase

- **Definition**: A seed phrase, also known as a recovery phrase or mnemonic phrase, is a list of words that store all the information needed to recover a cryptocurrency wallet.
- **Context**: Wallets often require a seed phrase to be written down and stored safely by the user. If the wallet is lost or damaged, the seed phrase can be used to reconstruct the wallet and access its contents.

SEPA (Single Euro Payments Area)

- **Definition**: SEPA is an initiative of the European Union that enables fast, reliable, and cheap Euro (EUR) bank transfers between banks in the SEPA zone. The aim is to make cross-border Euro transfers within this area equivalent to domestic transfers within one's own country.

- **Context**: SEPA encompasses not only the EU countries but also other non-EU countries that are part of the Eurozone and some additional territories, allowing for seamless Euro transactions across the region. Services under SEPA include credit transfers, direct debit payments, and real-time payments, all standardized to ensure consistency and efficiency. Financial institutions within the SEPA zone are required to follow the rules and standards set by the European Payments Council (EPC), facilitating the ease of doing business and fostering economic cooperation within Europe. SEPA is crucial for businesses and individuals alike, as it simplifies bank transfers, reduces costs, and accelerates transaction speeds.

Sharding

- **Definition**: Sharding is a scalability solution that involves dividing a blockchain network into smaller partitions, known as "shards," each capable of processing transactions and smart contracts independently.
- **Context**: This approach can significantly increase the throughput and efficiency of a blockchain network. Ethereum's planned upgrade, Ethereum 2.0, includes sharding to improve its scalability.

Slippage

- **Definition**: In trading, slippage refers to the difference between the expected price of a trade and the price at which the trade is executed.
- **Context**: Slippage often occurs during periods of high volatility when market orders are used, and also as a result of large orders which cannot be filled at a single price. It is a common concept in both traditional and cryptocurrency markets.

Smart Contract

- **Definition**: A smart contract is a self-executing contract with the terms of the agreement between buyer and seller being directly written into lines of code.
- **Context**: The code and the agreements contained therein exist across a distributed, decentralized blockchain network. Smart contracts permit trusted transactions and agreements to be carried out among disparate,

anonymous parties without the need for a central authority, legal system, or external enforcement mechanism.

Smart Contract Wallet

- **Definition**: A smart contract wallet is a type of cryptocurrency wallet that adds additional functionality to the basic storage of cryptocurrencies through the use of smart contracts.
- **Context**: These wallets can offer features like recovery options, spending limits, and the ability to interact directly with decentralized applications (DApps) without leaving the wallet.

Snapshot

- **Definition**: A snapshot is a record of the state of a blockchain at a particular block height. It includes information such as wallet balances and smart contract states.
- **Context**: Snapshots are often taken before significant events like hard forks, airdrops, or upgrades to ensure that users' balances are accurately recorded and preserved.

Social Recovery Wallet

- **Definition**: A social recovery wallet is a type of cryptocurrency wallet that allows users to recover access to their funds through a selection of trusted friends or family members, rather than traditional seed phrases.
- **Context**: This method adds a layer of social security, making it potentially easier and safer for users to recover their assets if they lose access to their wallets.

Solidity

- **Definition**: Solidity is a programming language for writing smart contracts on various blockchain platforms, most notably Ethereum.
- **Context**: It is designed to target the Ethereum Virtual Machine (EVM) and is statically typed, supporting inheritance, libraries, and complex user-defined types among other features.

SPL (Solana Program Library)

- **Definition**: SPL is the standard token protocol on the Solana blockchain. It defines a set of rules for creating and managing tokens on the Solana network.
- **Context**: Similar to ERC-20 tokens on Ethereum, SPL tokens can represent any type of asset, including cryptocurrencies, stablecoins, and digital representations of physical assets.

Staking Pool

- **Definition**: A staking pool is a group of coin holders merging their resources to increase their chances of validating blocks and receiving rewards in a Proof of Stake (PoS) network.
- **Context**: By pooling their resources, participants can earn rewards more consistently than they might alone, making it an attractive option for smaller holders.

Stablecoins

- **Definition**: Stablecoins are a type of cryptocurrency designed to maintain a stable value over time, usually pegged to a fiat currency like the US dollar, euro, or a basket of currencies. They combine the instant processing and security of cryptocurrencies with the stable valuations of fiat currencies.
- **Context**: Stablecoins serve various purposes, including as a medium of exchange, a store of value, and a unit of account, without the volatility typically associated with cryptocurrencies like Bitcoin. They are used in digital transactions, crypto exchanges, and decentralized finance (DeFi) applications. There are different types of stablecoins, backed by fiat currencies, commodities, or even algorithms. Tether (USDT), USD Coin (USDC), and Binance USD (BUSD) are among the most widely used stablecoins. Their stability and ease of use make them an integral part of the cryptocurrency ecosystem, facilitating trading, lending, and other financial transactions in the digital asset space.

SRC-20 Tokens

- **Definition**: SRC-20 is a token standard on the Sorare blockchain, similar to Ethereum's ERC-20 standard. It defines a set of rules for issuing and managing tokens on the Sorare platform.

- **Context**: While "SRC-20" specifically may be less common, it represents the broader concept of blockchain platforms having their standards for tokens, facilitating various digital assets and operations on their networks.

SWIFT (Society for Worldwide Interbank Financial Telecommunication)

- **Definition**: SWIFT is a global member-owned cooperative and the world's leading provider of secure financial messaging services. Established in 1973, it facilitates communication for financial transactions and services between financial institutions worldwide.
- **Context**: SWIFT does not transfer funds but provides a secure and standardized messaging system through which financial institutions can send and receive information about financial transactions in a secure, standardized, and reliable environment. It is used for international wire transfers, securities transactions, and payment messages, supporting more than 200 countries and territories. SWIFT codes, also known as BIC codes, are used to identify banks and financial institutions globally, ensuring that transactions reach their intended destinations. Despite its widespread use, SWIFT faces criticism and competition over fees, speed, and the emergence of new technologies like blockchain, which promise faster and cheaper transactions.

▼ T

Testnet

- **Definition**: A testnet is an alternative blockchain used specifically for testing and development purposes, without affecting the mainnet or actual blockchain.
- **Context**: Testnets allow developers to experiment with and test new features in a controlled environment with free or worthless tokens, ensuring that any bugs or vulnerabilities are identified and resolved before deployment on the mainnet.

Token

- **Definition**: A token is a unit of value issued by a project or company operating on a blockchain platform, often used to represent assets or

utility that can be traded.

- **Context**: Tokens can serve various functions, such as representing shares in a company, facilitating transactions in a decentralized network, or granting holders access to services or benefits within a platform.

TGE (Token Generation Event)

- **Definition**: A Token Generation Event (TGE) is the initial creation and distribution of tokens, usually marking the launch of a new cryptocurrency.
- **Context**: TGEs are important for fundraising efforts, similar to an ICO, where tokens are sold to the public to generate capital for project development. This is a critical phase in the lifecycle of blockchain projects.

Token Lockup

- **Definition**: Token lockup refers to a period during which tokens cannot be sold or transferred by the holders, typically following a TGE.
- **Context**: This mechanism is used to prevent market manipulation by early investors and to encourage longer-term investment and stability in the project.

Token Sale

- **Definition**: A token sale is an event in which a blockchain project sells part of its cryptocurrency to early adopters and enthusiasts in exchange for funding.
- **Context**: Token sales are conducted to raise funds for project development and to incentivize community involvement and support. These can include initial coin offerings (ICOs), security token offerings (STOs), and utility token sales.

Tokenomics

- **Definition**: Tokenomics involves the study of the supply and demand characteristics of cryptocurrencies, focusing on the economic policies governing their issuance and management.

- **Context**: Good tokenomics can drive the success of a project by ensuring incentives are aligned between the stakeholders, including users, investors, and the development team.

Total Supply

- **Definition**: The total supply is the total amount of tokens that currently exist, minus any tokens that have been verifiably burned or destroyed.
- **Context**: Understanding the total supply of a token is crucial for investors to evaluate its scarcity, potential value, and inflation rate.

TVL (Total Value Locked)

- **Definition**: Total Value Locked refers to the amount of crypto assets that have been staked, deposited, or locked into a decentralized finance (DeFi) protocol.
- **Context**: TVL is a key metric used to gauge the overall health and adoption of DeFi platforms. It indicates how much trust users place in these platforms and the scale of activities conducted.

Transaction Hash

- **Definition**: A transaction hash is a unique string of characters that identifies a specific transaction on a blockchain.
- **Context**: It is used to track and verify the status of individual transactions, ensuring transparency and security in the blockchain ledger.

TPS (Transactions Per Second)

- **Definition**: Transactions Per Second (TPS) is a measure of the number of transactions a blockchain network can process each second.
- **Context**: High TPS is crucial for the scalability and practical usability of a blockchain, especially for networks aiming to support widespread enterprise and consumer applications.

▼ U

Utility Token

- **Definition**: A utility token is a type of cryptocurrency that is issued to fund development and is later used to purchase a good or service offered by the issuer of the token.
- **Context**: Unlike security tokens, utility tokens do not provide an ownership stake in a company's platform or profits but instead grant users access to products or services.

▼ V

Volatility

- **Definition**: In financial terms, volatility refers to the degree of variation in the price of a security over time, indicating the risk or stability of an asset.
- **Context**: Cryptocurrencies are known for their high volatility compared to traditional investments, which can lead to high rewards as well as significant risks.

Virtual Machine

- **Definition**: A virtual machine in a blockchain context is an emulation of a computer system that executes smart contracts and runs decentralized applications.
- **Context**: For example, the Ethereum Virtual Machine (EVM) allows for the execution of code exactly as intended, providing the backbone for Ethereum's smart contract capabilities.

Virtual IBAN

- **Definition**: A Virtual International Bank Account Number (IBAN) is a reference issued by a bank to allow incoming payments to be rerouted to a different physical bank account. Virtual IBANs are used in international banking to simplify the processing of cross-border payments, making it easier for companies to manage their finances without needing multiple bank accounts in different countries.
- **Context**: Virtual IBANs provide businesses with a way to centralize their banking relationships and facilitate their international payment processes. They can be assigned to specific customers or invoices, improving the reconciliation process and improving the efficiency of payments. This is particularly beneficial for companies engaged in off-

ramping crypto to Fiat, international trade, e-commerce platforms, and businesses that handle a high volume of transactions.

VASP License Overview

- **Definition**: A VASP (Virtual Asset Service Provider) license is an official certification granted by regulatory authorities that allows companies to legally offer services related to cryptocurrencies, including exchange and trading. This licensing is a part of regulatory efforts worldwide to ensure consumer protection and prevent illegal activities such as money laundering.
- **Context**: With the rapid growth of the cryptocurrency market, governments and regulatory bodies have recognized the need to establish clear regulations for businesses operating in this space. The VASP license serves as a means to ensure that companies involved in the exchange, transfer, and safekeeping of digital assets comply with legal standards, particularly in areas like anti-money laundering (AML) and counter-terrorism financing (CTF). Not every company dealing with digital assets needs a VASP license; it's primarily required for those directly facilitating the trade and exchange of virtual currencies. Obtaining a VASP license involves a strict process, including the submission of detailed personal, financial, and operational documents, and demonstrates a company's commitment to operating within the legal framework and ensuring the security of its clients' assets.

▼ W

WAGMI (We're All Going to Make It)

- **Definition**: WAGMI is a popular acronym and sentiment expression within the cryptocurrency community, typically used to convey optimism and collective morale among investors.
- **Context**: It reflects the communal spirit of the crypto world, especially in times of market downturns or when facing regulatory and technological challenges.

Wallet

- **Definition**: In cryptocurrency, a wallet refers to a digital wallet used to store, send, and receive digital currencies like Bitcoin.

- **Context**: Wallets can be hardware-based or software-based, and they play a crucial role in managing crypto assets securely.

Wash Trading

- **Definition**: Wash trading is a form of market manipulation where an investor simultaneously sells and buys the same financial instruments to create misleading, artificial activity in the marketplace.
- **Context**: In crypto, wash trading can inflate trade volumes and manipulate the price of tokens. It is illegal and unethical in regulated markets.

Web3

- **Definition**: Web3, also known as the decentralized web, refers to the evolution of web utilization and interaction which includes decentralizing the processing of information.
- **Context**: Web3 technologies use blockchain, smart contracts, and decentralized networks to give users more control over their data and interactions online, contrasting with the centralized architectures of Web2.

Web2

- **Definition**: Web2 refers to the version of the internet most of us are familiar with today, dominated by companies providing services in exchange for personal data.
- **Context**: It is characterized by the rise of social media, e-commerce, and interactive web applications that rely on user-generated content but are controlled by central authorities.

Web1

- **Definition**: Web1, or the early web, was the first generation of the web and mainly consisted of static websites that were limited in interactivity and content creation capabilities.
- **Context**: Web1 was characterized by read-only content and simple user interfaces, setting the foundation for subsequent developments in web technologies.

Whale

- **Definition**: In cryptocurrency, a whale is an individual or entity that holds a large amount of a particular cryptocurrency, which gives them potential to manipulate the market.
- **Context**: Whales can significantly influence the price of a cryptocurrency by initiating large buy or sell orders.

Whitelist

- **Definition**: A whitelist in crypto refers to a list of approved participants who are given exclusive rights to participate in certain events, such as ICOs, presales, or access to services.
- **Context**: Being on a whitelist can provide early access or guarantee participation in token sales, often requiring a prior registration or KYC process.

WETH (Wrapped Ether)

- **Definition**: Wrapped Ether (WETH) is a token that represents Ether 1:1 and conforms to the ERC-20 token standard, allowing it to be more easily traded, used in wallets, and deployed in smart contracts.
- **Context**: WETH is used in the Ethereum ecosystem to enable trading on DEXs and usage in other ERC-20 compatible services, which do not natively support ETH.

▼ Y

Yield Farming

- **Definition**: Yield farming is a practice in DeFi that involves staking or lending crypto assets to generate high returns or rewards in the form of additional cryptocurrency.
- **Context**: This investment strategy can be highly profitable but also comes with high risk, especially in volatile market conditions. It involves sophisticated strategies, like moving assets across different pools to maximize returns.

▼ Z

Zero Knowledge Proof

- **Definition**: Zero Knowledge Proof is a cryptographic method by which one party can prove to another that a given statement is true, without conveying any additional information apart from the fact that the statement is indeed true.
- **Context**: This technology is pivotal in enhancing privacy in blockchain transactions, enabling transactions without revealing the parties' details or transaction amounts.

ZK-Rollup

- **Definition**: ZK-Rollup is a layer-2 scaling solution that uses zero-knowledge proofs to aggregate transactions off-chain and submit them as a single proof on-chain, greatly reducing the strain on the main Ethereum blockchain.
- **Context**: It enhances scalability by processing multiple transactions off the main chain while ensuring security and data availability.

ZK-SNARK (Zero-Knowledge Succinct Non-Interactive Argument of Knowledge)

- **Definition**: ZK-SNARK is a form of zero-knowledge proof technology that allows one party to prove possession of certain information without revealing that information and without any interaction between the prover and verifier.
- **Context**: It is used in various blockchain applications, particularly in privacy-focused cryptocurrencies like Zcash, to enable encrypted transactions that are verifiable by others without revealing any sensitive information about the parties or amounts involved.

ZK-STARKs (Zero-Knowledge Scalable Transparent Arguments of Knowledge)

- **Definition**: ZK-STARKs are a type of cryptographic proof that provides privacy and scalability improvements on blockchain networks. Unlike SNARKs, STARKs do not require a trusted setup.
- **Context**: The transparency and scalability features make STARKs suitable for a broader range of applications in blockchain and beyond, where privacy and efficiency are critical.