BANK

Bitcoin Bank - The Bitcoin Banking System

A Product Of Bitcoin Inc

BANK.BitcoinInc.co

A Bank Built For The People, By The People & Owned Fully By The People.

1.1 Introduction to Bitcoin Bank

Bitcoin, Inc. ("Bitcoin") is a Bitcoin Products & Services company. Launched in early 2015 in Las Vegas, NV. Bitcoin Inc was the first Bitcoin company to protect the trademark "Bitcoin" and the first to join a Chamber Of Commerce in the United States. Since then, Bitcoin & Bitcoin Inc has grown significantly across the globe. In addition to operating a network of Bitcoin Full Nodes & ATMs, Bitcoin, Inc has created a series of Bitcoin Applications, Bitcoin Hardware & is a vertically integrated provider of Bitcoin Services created specifically for businesses, banks, governments & Bitcoin users worldwide.

As a Public Benefit Corporation, Bitcoin Inc offers a seamless user experience to customers with the chartered mandate for the continuity, protection, preservation & promotion of the Bitcoin network. We manage all aspects of the Bitcoin Network independently from the collection of sovereign Full Node operators, Bitcoin businesses & Bitcoin exchanges. Bitcoin Inc acts as a consultant, advisor, educator & public representative body of Bitcoin to corporations & people. Bitcoin Inc works on state and federal licensing, regulatory compliance, real estate acquisition, cash logistics, marketing, core development and customer service. This gives Bitcoin Inc the flexibility to provide our customers with a Banking experience using only the Bitcoin Network.

Bitcoin Bank provides customers with effortless financial transaction experience that is similar to traditional banking. Bitcoin Bank takes in deposits as USD cash at the Bitcoin Bank ATMs, converts customer funds into BANKcoin units valued at a fixed rate, includes a payment card that can be loaded with BANKcoin or Bitcoin & provides banks and financial institutions an API for low cost, high capacity Blockchain transactions. To advance the Bitcoin Plan of protecting, preserving and promoting Bitcoin, we would like to introduce, "BANKcoin." The purpose of this whitepaper is to discuss how BANKcoin's architecture plays an integral role in building a fully functional Bank on the Bitcoin Blockchain.

BANKcoin is used for transactions, messages & funding of Bitcoin Bank operations via an API called BANKapi. The BANKapi is available to all developers, banks and financial institutions at the bulk rate or per unit cost. By providing BANKcoin, a Bitcoin Layer Two token built on Counterparty, all transactions are locked into the Bitcoin Blockchain forever. Bitcoin Bank and Bitcoin Inc believe that providing nationwide access to Bitcoin-based-banking has the highest potential to transform the country. From large or small cities to developing & rural areas, Bitcoin Inc works to ensure the continuity and growth of Bitcoin access to all people in the United States & the world at large.

1.2 What Is The Bitcoin BANK?

The Bitcoin Bank is a set of technologies that build a self-operating autonomous Bank; they include an APP, an API, a COIN & a CARD. To start a Bitcoin Bank, a user downloads the BANKapp to form a new bank and an account on their phone. To open an account in this new Bitcoin Bank, 100 BANKcoin or more must be deposited to the new account address. BANKcoin is purchased at any Bitcoin ATM or with the online deposit form. A Bitcoin ATM will take cash, deposit Bitcoin to the Bitcoin Bank Reserve & a SwapBot Smart Contract sends the deposit amount as BANKcoin to the users account address. This creates a BTC supply for the Bitcoin Bank Reserve & produces new BANKcoin tokens for each new deposit. Once a Bitcoin Bank is formed and receives a deposit of BANKcoin in its account addresses, that account can now make payments, transfer funds, hold savings and operate a wide range of banking services including, Loans, Investment, Titles & Notary.

Using Bitcoin and a second layer of the Blockchain called Counterparty, BANKcoin is created on top of Bitcoin, creating an inflationary token that can be used for deposits in Bitcoin Bank accounts, loans and to access the BANKapi. The API allows anyone to start a Bank with BANKcoin, automation & smart contracts. The API & Mobile App lets users use any Bitcoin ATM for deposits & withdrawals at any Bitcoin Bank. Using the Bitcoin Blockchain for all transactions, records and smart contract logic running inside the Bitcoin Bank. The amount of Bitcoin in circulation today currently exceeds $150 billion in USD value. BANKcoin is created every week to match the Bitcoin Market Cap All-Time-High, allowing deposits to adjust the inflation rate. While Bitcoin ATMs offer the simplest and most direct portal for consumers who want to instantly buy & sell Bitcoin for USD, there are more than 1,500 Bitcoin ATMs deployed globally today compared to the 3 million traditional ATMs.

Building A Bank On Bitcoin
BANKcoin

1.3 BANKcoin

Bitcoin has the power to enable individuals to run sovereign franchise Banks in their own locality. To accomplish this goal, we are launching a new product called Bitcoin Bank and it's derivative crypto-asset, "BANKcoin" (symbol: BANK) built on Counterparty & Bitcoin.

BANKcoin will provide the following benefits to holders:

1) Deposit cash at any Bitcoin ATM to deposit to any Bitcoin Bank in 1 confirmation with $0.00 / 0.00% transaction fees. This allows withdrawals & deposits into the Bitcoin Bank at any BTM.

2) Bank Rewards Program transfers 1-5% of an individual's total Bitcoin Bank account balance to a BTC wallet vault for each account, giving the account a growing BTC saved balance.

3) A Banking API that lets anyone start a Bank with unlimited amounts of accounts for family, friends, employees or a local community. Only 1 BANKcoin is needed to start a Bank and 100 BANKcoin minimum is needed to open each account in that Bank.

4) A loan program to distribute loans to Bitcoin Bank accounts using BANKcoin is automated using a SwapBot, Smart Contracts, and Artificial Intelligence. Payments for BANKcoin loans are paid back in BTC or XCP to the Bitcoin Bank Reserve.

1.4 BANKcard

The BANKcard comes in two different versions for both BTC Users and USD users. BANKcard version 1 is a NFC Payment Card that allows anyone to spend their BANKcoin balance using a NFC tap Point Of Sale. A user can load their BANKcard with a balance using their BANKapp on their phone, tablet, watch or tv. BANKcard version 2 is a BTC/BANKcoin loaded prepaid card that converts the BANKcoin balance to a USD dollar balance on the debit card. The option for two different payment card concepts allows for crypto only payment systems to become more prevalent and give users access to debit payment options as they are needed. The Bitcoin Bank Reserve loads the BANKcard automatically with BANKcoin or BTC depending on what version of the BANKcard is being loaded. A user can have both a NFC & Debit card attached to their account and cards can be loaded from any Bitcoin Bank account. Card balances will show a user the BANKcoin deposits, BTC savings & USD balance of the debit card on the mobile BANKapp.

1.5 BANKatm

Customers will pay 0% fees on all ATM deposits and withdrawals. For example, if a customer purchases $1,000 of BTC from a Bitcoin Inc ATM and the ATM transaction fee is 5% or 20%, the customer will get 1000 BANKcoin in their account address after deposit. Bitcoin Bank covers all Network Fees with the BTC deposited & credits every customer's account with the exact amount of BANKcoin they deposited as USD at any Bitcoin ATM or deposit address. This is done using the BANKatm API to automatically Swap BTC for BANKcoin and identify each user account when depositing at a Bitcoin ATM.

If customers would like to sell BANKcoin, or withdrawal BANKcoin as BTC, they will be able to do so at any Bitcoin ATM or online using their BANKapp account. Customers are able to sell their BANKcoin at any of the Bitcoin ATMs for fiat currency under our ATMs' ordinary terms. In addition to the rewards benefit, Bitcoin Bank may also reward customers with BTC to cover any additional ATM fees.

1.6 BANKapi

In the coming months, Bitcoin Bank plans to release the BANK API (BANKapi) late December 2017, as well as the Bitcoin Box Unit that hosts the BANKapi locally. Bitcoin Bank gives its customers access to the new financial system and lets anyone become their own Bank, Banker and Account Creator. BANKapi will be hosted on a distributed server cloud network for contingency and decentralization. This allows anyone to use the BANKapi without any permission, authority or custodial approval from Bitcoin Inc or any other entity. Censorship resistance, transparency and customer privacy is built into the Bitcoin Bank.

The BANKapi is activated using BANKcoin transactions & assembly language code, this allows the API to run autonomously & decentralized. BANKapi is incentivised to only respond to BANKcoin deposits, transaction data, loans & payments. BANKapi is able to launch a Bitcoin Bank automatically once the BANKapi is paid 1 BANKcoin to create a new BANK. The BANKapi automatically creates 6 Smart Jobs that run the rules of operation at the BANK. Each Smart Job can be customized by the BANK creator using their BANKapi API Access Tokens, A

user is able to use the API when they purchase 1 BANKcoin & send it to the API Deposit Address, this is essentially a login authentication.

1.7 BANKapp

The Bitcoin Bank Mobile App called BANKapp is like a Bitcoin wallet and a mobile banking app combined. BANKapp holds a user's BANKcoin deposits, lets a user load BANKcoin to their NFC card or Debit card and allows a user to deposit cash at any Bitcoin ATM right into their account. All user deposits are displayed as USD in the BANKapp and held as BANKcoin on the Counterparty layer of the Bitcoin Blockchain. A user's private keys are the password to their Bitcoin Bank account and are never held by Bitcoin Inc or any other entity. BANKapp is a mobile banking app built on Counterparty, Bitcoin and Google. Using the Google Cloud, DreamFactory, Firebase and Android Studio the first version of BANKapp will be available in the Google Play app store on Christmas 2017.

BANKapp has a very simple user interface and can be accessed only through the mobile app. The most important part of the Bitcoin Bank is the users private keys that allow the movement and spending of a user's deposits. BANKapp connects to the Bitcoin Bank created by the BANKapi when a user first formed their new BANK. BANKapp can hold as many accounts as a user wants in their Bitcoin Bank. Multiple Bitcoin Bank Branches can be access by a user's mobile app. This allows someone to manage multiple Bitcoin Banks, multiple accounts and multiple cards all from a single app. The BANKapp is built using Firebase as a database backend to allow constant security updates without pushing an app update as well as continuity of data thanks to Google Cloud Spanner. The BANKapi as the backend of the Bitcoin Bank uses the Google Cloud, DreamFactory and the Blockchain API to synchronize data and transactions.

Own Your Own Franchise Bank

BANKapp

2.1 Franchising The Bitcoin Bank

The Bitcoin Bank acts as a Franchise Bank running on the Bitcoin network and built using a package of technologies engineered at Bitcoin Inc. When a user wants to launch their own BANK, they can purchase BANKcoin, launch the BANKapi, distribute the BANKapp to their customers and take deposits using a Bitcoin ATM. The mobile BANKapp is built using Google Cloud, Bitcoin & Counterparty. BANKapp works by connecting to the BANKapi once it is loaded with a BANKcoin deposit at any Bitcoin ATM or with a BTC deposit. BANKapi contains 6 Smart Jobs, each one controls different rules at a single Bitcoin Bank. Using the BANKapi the owner of the BANK can modify the Smart Jobs, to customize their BANK or make it more competitive with different features, rates, fees and rules of operation.

2.2 The Bitcoin Bank Backend

Since its creation in late 2008, Bitcoin has been used to transport over a trillion dollars in value. Bitcoin Bank functions autonomously, managing all aspects of the operation including ATMs, software, state and federal licensing, regulatory compliance, real estate acquisition, cash logistics, customer service, deposits, withdrawals, banking services, loans, and payments. Bitcoin Inc is not a Bank operator; our engineers created a push button Bank that builds itself from source code once loaded with BANKcoin from a Bitcoin ATM or a SwapBot Smart Contract. This self-operating Bank runs on an API, a Mobile App, a crypto token & an NFC loadable payment card. Through the investment of significant time and capital in research and development, Bitcoin Inc has developed what it believes to be a superior user experience, secure backend & self-contained Banking software. For example, when a customer buys Bitcoin at a Bitcoin ATM, BANKcoin is deposited into the user's BANKapp wallet account. Bitcoin Bank eliminates any need for centralized people run banks or third-party wallet applications holding your funds, which is dangerous when a user is not in full control of their funds and keys.

Using the classical fractional reserve design, in combination with Bitcoin, Counterparty and the Cloud, this type of Reserve & Banking System cannot be frozen by a centralized authority, interest rates are bank-dependent and localized, a reserve system of BTC is built up continuously into the network & quantitative easing can continue as needed using a BANKcoin as a backend layer for the modern USD. The financial benefits of modern FinTech tools combined with long-standing profit driven Bank models have never been put together in this way before. This

upgrade to the Federal Reserve System is vital in the 21st century and thanks to Bitcoin it is now possible to make a Banking System that is controlled by the people who deposit money into it.

2.3 The Bitcoin Bank Plan

Banking customers have high standards, and Bitcoin Bank wishes to meet the expectations of all customer using Bitcoin itself as the responsible actor. To that end, Bitcoin Inc plans to continue to acquire new hardware, develop software to support consensus based BIPs, integrate additional payment applications, and maintain the infrastructure, operational management, regulatory compliance, state and federal licensing, and other business-related activities that Bitcoin users deserve. Bitcoin Inc plans to have a broader network of High Capacity Bitcoin ATMs located across the United States, with international deployments planned to begin in the middle of 2020 or later. Although Bitcoin Inc has a broad range of focused subsidiaries working on many different projects, its current focus is Bitcoin Bank, funding the project and providing an amazing product to its customers.

The BANKcoin token is a natural outgrowth of the customer-focused mission to make Bitcoin usable to Corporations, Institutions and Governments. As one more way to make Bitcoin useful to customers, and as part of Bitcoin Inc's launching of its suite of products and services, Bitcoin Inc sees its new BANK product as a potentially attractive fit for traditional Banking customers to transition into becoming Bitcoin users. BANKcoin & the BANKapi will allow entities like PayPal, Google Wallet, US Federal Reserve & Amazon to start using the Bitcoin Network. The BANKcoin inflationary token in sync with Bitcoin's deflationary nature creates a massive incentive for parity and use of both Bitcoin & BANKcoin in monetary products. Bitcoin Bank is an easy to use product that all companies, banks or individuals can use to protect their deposits & assets. Bitcoin Bank keeps the mobile banking user experience alive on top of the Blockchain.

Bitcoin Bank will be marketed as a Franchise Business Package to anyone who wants to launch their own Bank locally or online. Each Franchise Business Package sold will include BANKapp white labeling, BANKcards for new accounts, BANKcoin supplies for deposits & a Bitcoin ATM for onsite deposits. Bitcoin Inc will design, manufacture and distribute all new BANKcards to new accounts with 1000 BANKcoin or more at the initial deposit. Bitcoin Inc will design manufacture and distribute new High Capacity Bitcoin ATMs for large cash transactions. Bitcoin Inc will use allocated funds from the Bitcoin Bank Reserve to acquire any and all licenses, permits, certificates and authorizations required by law to operate a Bank, a Franchise, a Bitcoin Business & an Exchange in all jurisdictions that a Bitcoin Bank operates in or from.

2.4 The Bitcoin Bank Reserve

Bitcoin Inc will hold 210,000,000 BANKcoin tokens today as reserves at this address:

1FKLehSDP5a9Wd2DPQoJGKKfshSxftz9uE (the "Bitcoin Bank Vault").

Bitcoin Bank Reserve will hold 91,000,000,000+ BANKcoin tokens today & will add new BANKcoin to the supply every friday to match the all time high BTC/USD market cap value. This new BANKcoin is created on each Friday at 3PM PST at this address:

1PED8foZJ4d8T1cSD37U1mr81VWJZiE7ns (the "Bitcoin Bank Reserve").

Bitcoin Bank SwapBot holds $1,000,000,000 BANKcoin & accepts BTC deposits to this address:

1KsC3QP9nSKopF8DpRdj2pRBWjubcPxeuh (the "Bitcoin Bank SwapBot").

Bitcoin Inc will not sell any of its BANKcoin in the BANKcoin Vault ever, BANKcoin reserves will be increased based on requirements of the Bitcoin Bank. Bitcoin Inc does not sell any BANKcoin to any party ever. BANKcoin is acquired through automatic distribution technologies such as Atomic Swaps, SwapBots, Bitcoin ATM deposits & p2p exchange. Bitcoin Bank functions as an autonomous fractional reserve running on an inflationary model of quantitative distribution by weekly token creation, with distribution of BANKcoin done via loans, deposits & payments. BTC is collected to the Bitcoin Bank Reserve from Bitcoin ATMs via cash deposits by customers, BTC is automatically exchanged for BANKcoin via a Smart Contract & a user's BANKapp deposit address. Bitcoin Bank Reserve collects BTC & distributes BANKcoin tokens to the users wallet displayed as value.

Each new BANKcoin sells for $1.00 worth of BTC at minute average market price at any Bitcoin ATM or using the online BANK deposit site. The Bitcoin Bank Reserve will always hold the Bitcoin USD Market Cap Maximum as the increasing supply limit cap of BANKcoin. All BTC held at the Bitcoin Bank Reserve is held offline in multisig cold storage. BANKcoin is used for customer deposits, transaction, payments and loans. BTC is used to pay for BANK

marketing, manufacturing of cards, manufacturing of ATMs, purchasing of branch sites, BTC mining fees, franchise expenses, legal fees & the remainder is held in reserve.

Trust Bank Code Not Bank People

BANKapi

3.1 Smart Jobs

When a user creates a new Bitcoin Bank using the BANKapi, it launches 6 default smart contracts called Smart Jobs. Each one has a specific task and set of rules to operate part of the Bitcoin Bank. When a new Bitcoin Bank is formed a user can use the default Smart Job settings or customize them to make their Bitcoin Bank even more unique and competitive. The Smart Jobs control the Bank structure, fees, limits, priorities, features and modes of operation. Each Smart Job can run in the Google Cloud or locally on a Bitcoin Box. Smart Jobs help make Bitcoin Bank automated and remove the people from the Bank, especially the ones who usually make Banks do bad things. CEO, Controller, Exchange, Banker, Broker & Teller all launch with default settings when a new Bitcoin Bank is started. These Smart Jobs only function on assembly local language logic and timestamped BANKcoin transactions making the Bitcoin Bank less prone to corruption, custodial manipulation by people, theft and financial fraud.

3.2 Customer Service

To keep in touch with its customer base, Bitcoin Inc and the Bitcoin Bank team plans to publish regular communications on the BANKcoin website (Bank.BitcoinInc.co) describing ongoing company activities, new Bitcoin ATM deployments where BANKcoin & Bitcoin may be used, and an overview of future initiatives. Bitcoin Inc will solicit feedback on potential future ATM locations, Card Upgrades & Mobile App Updates. Furthermore, executive members of the Bitcoin Inc team will be available for ongoing communication with BANKcoin holders who have questions, comments, and ideas about improving their customer experience or that they would otherwise like to share with the company.

3.3 Token Rewards

Each time a customer uses a the Bitcoin Bank, the Bitcoin Bank SwapBot will automatically deposit extra BANKcoin into the customer's account address equal to 1-5% of their ATM transaction amount as part of Bitcoin Banks customer rewards program. Bitcoin Bank may give

customers BANKcoin from the Bitcoin Bank SwapBot or, if it so decides in its discretion, a Bitcoin Bank address which Bitcoin Bank can replenish on an as needed basis by transferring BANKcoin from the Bitcoin Bank Reserve. Immediately upon receipt, customers will be able to use their rewarded BANKcoin towards anything they want.

3.4 Technical Design: *Decentralized, Secure, Smart & Simple*

BANKapp - Mobile Banking Application

      Android - *December 25, 2017*

      iOS - *February 28, 2018*

BANKapi - Application Programming Interface

      DreamFactory - *API Constructor*

      Google Cloud - *Data Storage*

BANKatm - ATM Network Interface

      Bitcoin ATMs - *Already In Place Bitcoin ATMs*

      High Capacity BTMs - *Custom Made HC BTMs*

      BANKatm API - *API to Swap BTC deposits for BANKcoin*

BANKcard - Bitcoin Debit / NFC Card

      NFC Payment Card - *Spend BANKcoin*

      Debit Prepaid Card - *Spend BTC/USD*

BANKcoin - Bitcoin Layer Two Tokens

      BANKcoin - *Deposits, Transactions, Loans & Payments*

      BANKapi - *API Access Token*

      BitcoinInc - *Bitcoin Inc ICO Token (July 2018)*

BANK is fully built on the Bitcoin Network in multiple ways from tokens to smart contracts. BANKcoin is a Counterparty token built on the Bitcoin network. The Bitcoin Bank embraces a Military Grade Security Standard and is modelled after the successful aspects of the Federal Reserve System. The design approach is based in the fact that Bitcoin is the only functional Blockchain. All Smart Contracts used by Bitcoin Bank are designed with the BitSwitch Standard in order to minimize the attack surface that complicated smart contracts present to hackers around the world. Furthermore, Bitcoin Bank chose to use the Bitcoin layer two architecture to maximize the number of ways the token can be used in products & services.

The BANKapi is available to view here Bank.BitcoinInc.co/api and is described in our token sale terms here: www.BitcoinInc/BANK/terms.

4.1 Leadership

Morgan Rockwell,

Founder, CEO at Bitcoin Inc

Morgan is the former CEO & Lead Developer at Bitcoin Kinetics and a Bitcoin Youth Educator & CTO at General Bitcoin, a technology firm focused on Military use of Bitcoin.

Morgan has developed the many firsts for Bitcoin, including first Blockchain IoT interface, first Smart Contract on the Blockchain, first DAO/DAC and first voting system using the Blockchain.

Rockwell started his first internet business at 14, received a high school diploma online at 15, attended college until 16 and began a mission to build tomorrowland using Bitcoin in 2010. Bitcoin Inc was formed in 2015 with the mission to protect, promote and preserve Bitcoin, after the passing of Morgan's mother, the original founder & investor of Bitcoin Inc.