

GOOD WORDS TO KNOW:

Address: En Bitcoin adress är liknande till en fysisk adress eller e-postadress. Det är den enda informationen du behöver ange för att någon ska betala dig med bitcoin. En viktig skillnad dock, är att varje adress bör endast användas en gång för en enda transaktion.
Address: A Bitcoin address is similar to a physical address or an email. It is the only information you need to provide for someone to pay you with bitcoin. An important difference, however, is that each address should only be used once for a single transaction.

Bit: Bit is a common unit used to designate a subunit of a Bitcoin - 1,000,000 bits is equal to 1 Bitcoin (BTC). This unit is usually more convenient for pricing tips, goods and services.

Bitcoin: Bitcoin - with Capitalization, is used when describing the concept of Bitcoin, or the entire network itself.. E.g. " I was learning about the Bitcoin protocol today."
Bitcoin - without capitalization, is used to describe bitcoins as a unit of account. E.g. "I sent then bitcoins today."; it is also often abbreviated BTC or XBT.

Block: A block is a record in the blockchain that contains and confirms many waiting transactions. Roughly every 10 minutes, on average, a new block including transactions is appended to the blockchain through mining.

Block Chain: The block chain is a public record of Bitcoin transactions in chronological order. The block chain is shared between all Bitcoin users. It is used to verify the permanence of Bitcoin transactions and to prevent double spending.

Double Spend: If a malicious user tries to spend their bitcoins to two different recipients at the same time, this is double spending. Bitcoin mining and the blockchain are there to create a consensus on the network about which of the two transactions will confirm and be considered valid.

BTC: BTC is a common unit used to designate one bitcoin.

Confirmation: Confirmation means that a transaction has been processed by the network and is highly unlikely to be reversed. Transactions receive a confirmation when they are included in a block and for each subsequent block. Even a single confirmation can be considered secure for low value transactions, although for larger amounts like 1000\$ USD, it makes sense to wait for 6 confirmations or more. Each confirmations exponentially decreases the risk of a reversed transaction.

Cryptography: Cryptography is the branch of mathematics that lets us create mathematical proofs that provide high levels of security. Online commerce and banking already uses cryptography. In the case of Bitcoin, cryptography is used to make it impossible for anybody to spend funds from another user's wallet or to corrupt the blockchain. It can also be used to encrypt a wallet, so that it cannot be used without a password.

Hash Rate: The hash rate is the measuring unit of the processing power of the Bitcoin network. The bitcoin network must make intensive mathematical operations for security purposes. When the network reached a hash rate of 10 th/s, it meant that it could make 10 trillion calculations per second.

P2P: Peer-to-peer refers to systems that work like an organized collective by allowing each individual to interact with the others. In the case of Bitcoin, the network is built in such a way that each user is broadcasting the transactions of other users. And, crucially, no bank is required as a third party.

Private Key: A private key is a secret piece of data that proves your right to spend bitcoins from a specific wallet through a cryptographic signature. Your private key or keys are stored in your computer if you use a software wallet; they are stored on some remote servers if you use a web wallet. Private keys must never be revealed as they allow you to spend bitcoins for their respective Bitcoin wallet.

Signature: A cryptographic signature is a mathematical mechanism that allows someone to prove ownership. In the case of Bitcoin, a Bitcoin Wallet and its private key or keys are linked by some mathematical magic. When your Bitcoin software signs a transaction with the appropriate key, the whole network can see that the signature matches the bitcoins spent. However there is no way for the world to guess your private key to steal your hard-earned bitcoins.

Wallet: A Bitcoin wallet is loosely the equivalent of a physical wallet on the Bitcoin network. The wallet actually contains your private key or keys which allow you to spend the bitcoins allocated to it in the blockchain. Each Bitcoin wallet can show you the total balance of all bitcoins it controls and lets you pay a specific amount to a specific person, just like a real wallet. This is different to credit cards where you get charged by the merchant.

Smart Contracts: Smart contracts help you exchange money, property, shares or anything of value in an open, conflict-free manner while avoiding the intermediary's services.
One way to describe smart contracts is to compare the technology to a vending machine. Usually you would go to a lawyer or a notary, pay them and wait while you get the document. With smart contracts, you simply place bitcoin in the vending machine (i.e., the recumbent), and your property record, share in the company or whatever falls into your account. Smart contracts not only define the rules and penalties for an agreement in the same way as a traditional contract does, but also automatically monitor compliance with those obligations

