

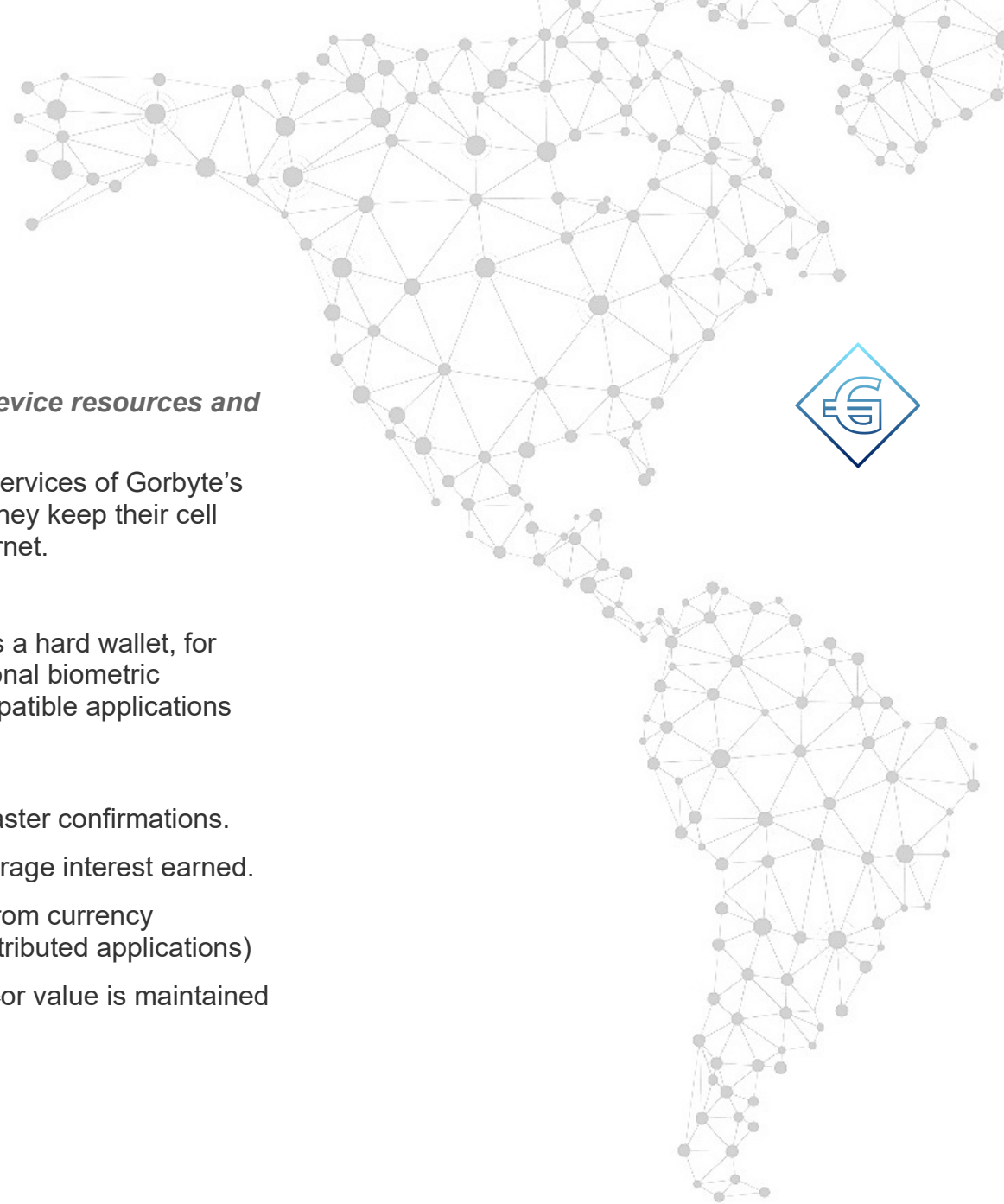
Questions and Answers

Question 1: *Why would people want to share their device resources and become a Gorbyte node?*

Because by keeping their device ON, they can use the services of Gorbyte's distributed operating environment (DOE), just as today they keep their cell phone ON to use the services available through the internet.

Specifically, they can:

- Use their BRUD device (e.g. Gorbyte's **BRDG**) as a hard wallet, for secret messaging, for secure payments, for personal biometric identification, and for many other blockchain-compatible applications being currently developed. Users will save time and acquire convenience.
- Move money: FREE financial transactions, with faster confirmations.
- Get a NO-FEE savings account with 4%/year average interest earned.
- Receive DIVIDENDS form profit sharing (profits from currency increasing demand and from fees charged for distributed applications)
- Use Gors for normal currency purposes, as the Gor value is maintained more stable than other digital currencies.





Question 2: What is the value of Gorbyte's proposal and what are the differences with the hundreds of blockchain finance initiatives?

1. The first difference among blockchain initiatives is that Gorbyte is not an application or a token defined on (and dependent on) another crypto-network. It is a new crypto-network, which will provide a new Distributed Operating Environment (**DOE**) which eventually could replace common PC/mobile operating systems (e.g. Windows/iOS/Mac OS) as the preferred environment for distributed applications.

I.e: any application ever written or conceived could be developed over this DOE in a simpler, faster and more secure way. This is because the network already takes care of:

- security** (through cryptography),
- peer-to-peer communication** (through transaction processing),
- uniqueness** and **personal bonding** (through the BRAD device and its biometrics),
- data distribution and data integrity** (through the blockchain), and
- distributed processing**.

The scope and advantages of blockchain applications are well known.

The odd thing is that hundreds of companies have understood the advantages of the blockchain and have invested millions of dollars in such projects, when there is no clear, scalable solution for the supporting network, either permissioned (projects by banks and large corporations) or unpermissioned. The Gorbyte crypto-network will fulfill that requirement.





2. The second difference, among many finance initiatives, is that the Gorbyte network is unpermissioned. The code will be Open Source (same as the Internet protocols). So, no bank or central authority is involved in transaction collection or verification. Users do not need to trust any verification authority. This puts Gorbyte in a very restricted set of crypto-networks.

The two top crypto-networks in this set are Bitcoin and Ethereum. The demand for the BTC and ETH currencies has grown beyond expectations in the last few years. Their value has doubled in the last six months and grown by over 10,000 times since their launch. There are also a number of Bitcoin-based network variations.

Only the Gorbyte and Ethereum networks satisfy point one above (i.e. can be used as a DOE).

3. The third difference, within the unpermissioned set, is that the Gorbyte consensus mechanism is **cooperative**, instead of PoW (currently used by Bitcoin/Ethereum) or PoS (proposed new mechanism for Ethereum).

This allows Gorbyte to use a FREE business model (No mining costs), expanding its usability and penetration to potentially 5 Billion more people... and reducing energy consumption by many GWh/day.

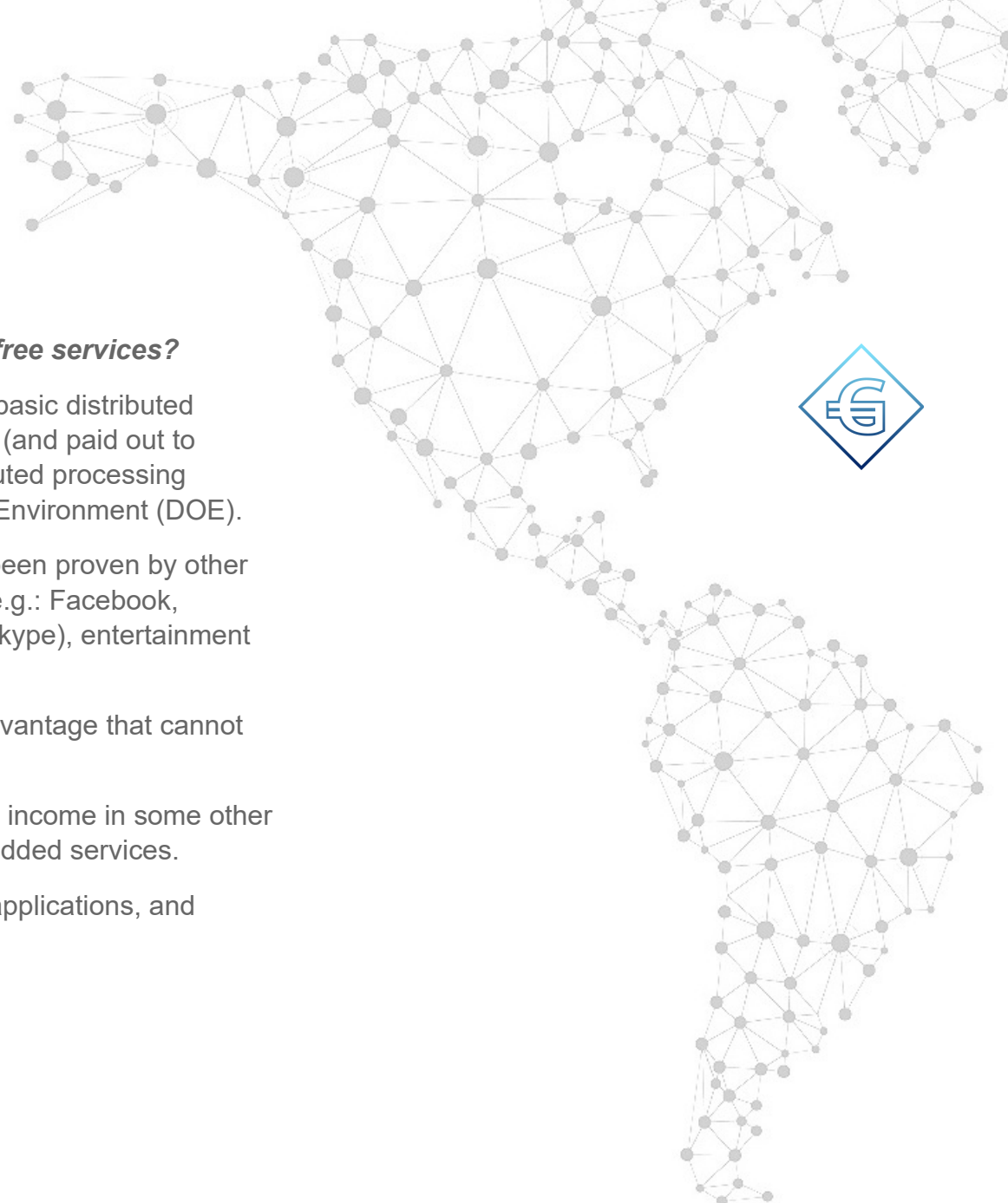
Because of no maintenance network costs, the Gorbyte currency will have no implicit inflation and can be used as a Savings Account.

These last two differences are introduced in the taxonomy diagram:
<http://gorbyte.com/ledgers.php> and also, in a bit more detail, in the short intro:
<http://gorbyte.com/documents/Short%20intro.pdf>

4. Other improvements, such as elasticity and stability of the currency value, will allow the Gorbyte currency to be used as a regular fiat currency all over the world. These features are explained in the Additional Features document: <http://gorbyte.com/documents/Gorbyte%20Additional%20Features.pdf>

5. The advantages to users are explained in the presentations at <http://gorbyte.com/more.php> under "Business".





Question 3: How can Gorbyte survive, if it provides free services?

Gorbyte will provide free financial transactions and free basic distributed processing transactions. However, a fee will be charged (and paid out to currency holders as dividends) for more complex distributed processing applications, built on the Gorbyte Distributed Operating Environment (DOE).

The free basic service model is analogous to what has been proven by other successful software systems, such as social networks (e.g.: Facebook, LinkedIn), browsers (Yahoo, Google), communication (Skype), entertainment (Youtube), e-commerce (Amazon, eBay), etc.

Free services have a natural attraction: a competitive advantage that cannot be overtaken.

The model works, as long as the company can generate income in some other way, for example through advertising, or through value added services.

Gorbyte will be developing a DOE for open, distributed applications, and develop profitable applications using the DOE.

Question 4: How can Gorbyte avoid over-use of its free services and prevent denial of service attacks?

Gorbyte has introduced the concept of a **blockchain registered unique device** (The BRUD architecture). This is initially a virtual device. A BRUD device has the following main purposes:

1. To limit the number of transactions allowed by each node to about one per minute,
2. To guarantee the uniqueness of a node, and
3. To provide a means for unique personal bonding, through biometrics.

The BRUD architecture is described at: <http://gorbyte.com/documents/The%20BRUD%20Architecture.pdf>



Question 5: *What if someone creates a better digital currency?*

Currently Bitcoin is the most popular digital currency. Gorbyte may soon take its place and a different system may take the place of Gorbyte. These are the risks and the advantages of the free market.

Ultimately, no matter what the network will be, society will benefit from free transaction processing and a Distributed Operating Environment.

