

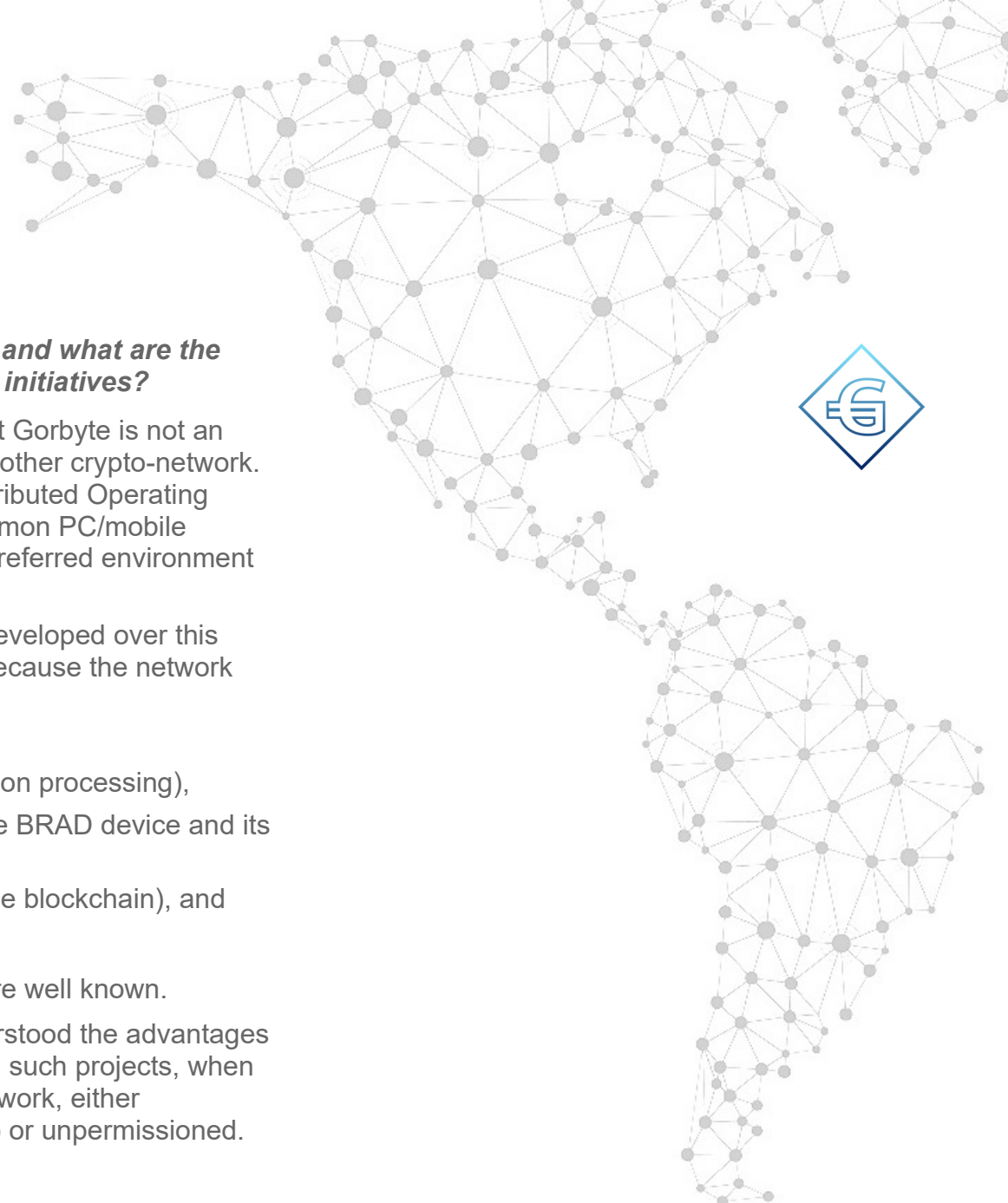
## Business Questions and Answers

**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.

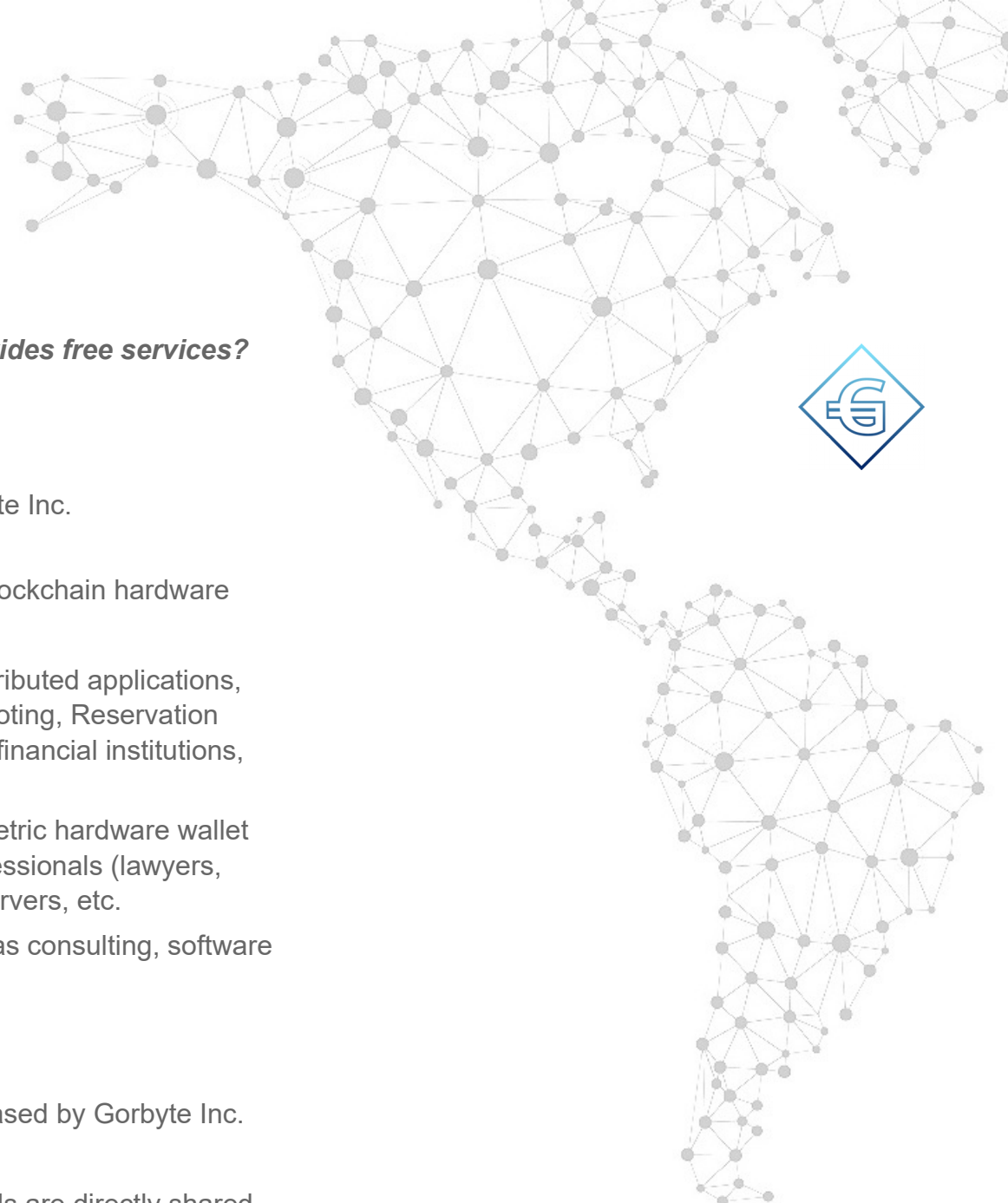
Because of no maintenance network costs, the Gorbyte currency will have no implicit inflation and can be used as a Savings Account.

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 make money, if it provides free services?*

We need to distinguish between:

- A) Gorbyte Inc., a Canadian corporation, and
- B) The Gorbyte Public Network developed by Gorbyte Inc.

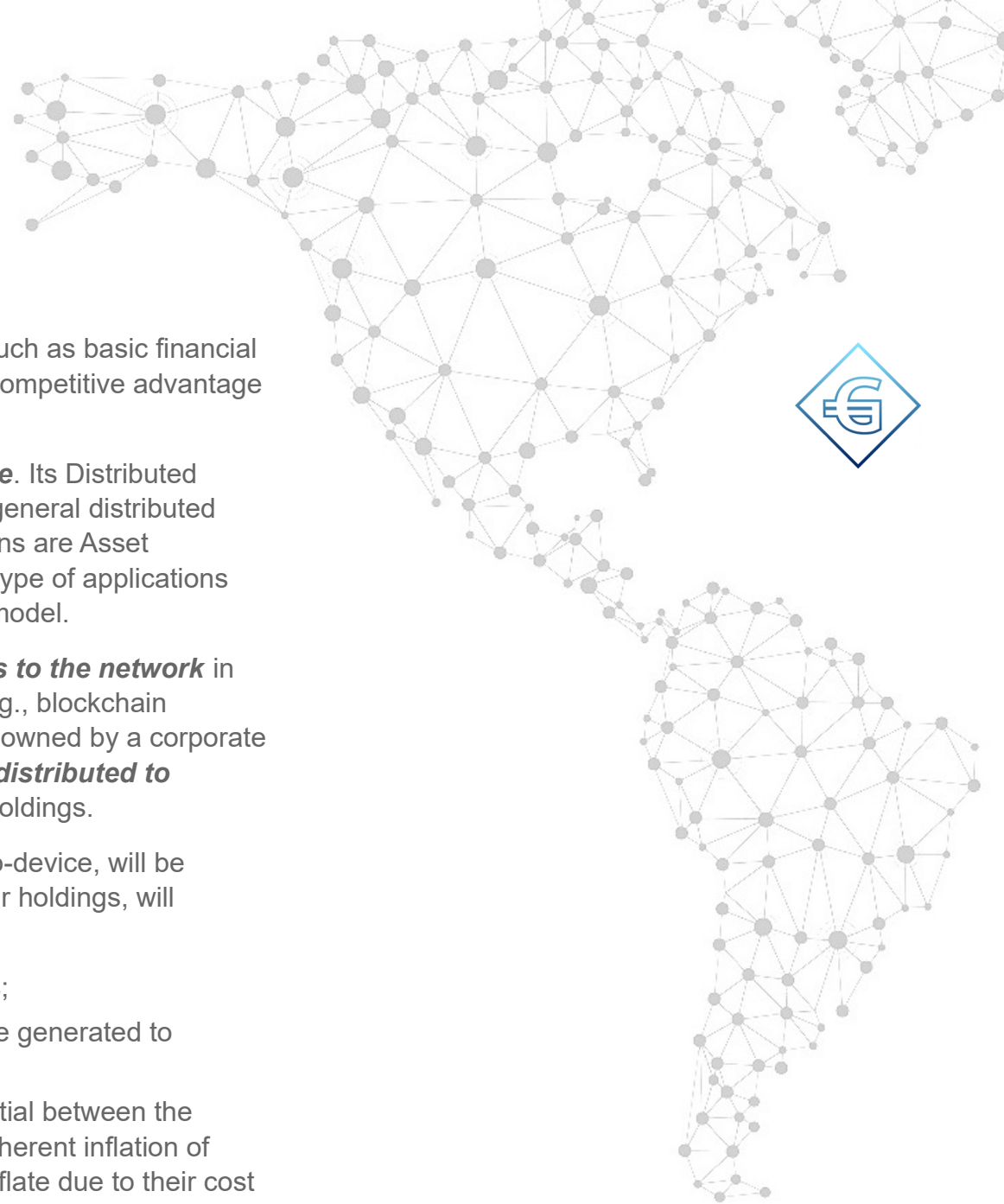
**A)** Gorbyte Inc., is a private corporation that develops blockchain hardware and software technology. Its profits come from:

1. Blockchain software: Licensing of proprietary distributed applications, such as: Secure messaging, Asset registration, Voting, Reservation systems, Virtual Private Blockchain Networks for financial institutions, etc.
2. Hardware crypto-devices: **BRDG** wearable, biometric hardware wallet devices, **FRTRSS** secure crypto-devices for professionals (lawyers, physicians, etc), **RMPRT** corporate blockchain servers, etc.
3. Software services in the blockchain space, such as consulting, software integration, API's, etc.
4. Strategic partnerships with currency Exchanges.

**B)** The Gorbyte Public Network is a crypto-network released by Gorbyte Inc. as open source.

It is not owned by any corporate entity, thus any proceeds are directly shared with Gorbyte currency owners, as explained below:





The network **charges no fees for its basic services**, such as basic financial transactions. Free services have a natural attraction: a competitive advantage that cannot be overtaken.

However, the network also provides **a fee-based service**. Its Distributed Operating Environment (DOE) is a platform for running general distributed applications (GApps). Examples of distributed applications are Asset Registration, Supply chain, AI market, and client/server type of applications built on the Virtual Private Blockchain Network (VPBN) model.

These **GApps will be required to pay transaction fees to the network** in proportion to the resources used by each transaction (e.g., blockchain memory, or processing power). Since the network is not owned by a corporate entity, **the proceeds from GApp transaction fees are distributed to Gorbyte wallet owners** in proportion to their currency holdings.

Holding savings in Gorbyte currency, in a Gorbyte crypto-device, will be attractive. Gorbyte currency owners, in proportion to their holdings, will experience:

- 1) The shared proceeds from GApp transaction fees;
- 2) Direct deposits in their wallets when new **Gors** are generated to counteract currency demand, and
- 3) Currency appreciation due to the inflation differential between the Gorbyte currency, that has no inflation, and the inherent inflation of other fiat currencies and digital currencies, that inflate due to their cost of operation.

**Question 4: If the Gorbyte currency is more stable than other cryptocurrencies, will an investor have less opportunity to make profits?**

The Gorbyte currency is more stable than other cryptocurrencies because the Gorbyte Public Network implements an elastic money supply and an automatic monetary policy, while other crypto-networks do not.

The Gorbyte Public Network achieves these objectives automatically and without intervention from a central authority. The network generates new currency directly in peoples' wallets, when the demand for the currency increases over a certain ratio.

The value of a wallet is given by the number of **€ors** owned multiplied by the value of each **€or**. Thus, whether the currency is allowed to appreciate, or new currency is generated in your wallet, **the value of your wallet will increase by the same amount** in periods of demand.

In the long term, under the same demand conditions, there is no difference in the opportunity for profits, between investing in Gorbyte currency or other currencies.

However, the Gorbyte currency will experience less volatility.

In addition, its value cannot be quickly "pumped-up", thus the Gorbyte currency will be less attractive to short-term speculators and pump-and-dump schemers.

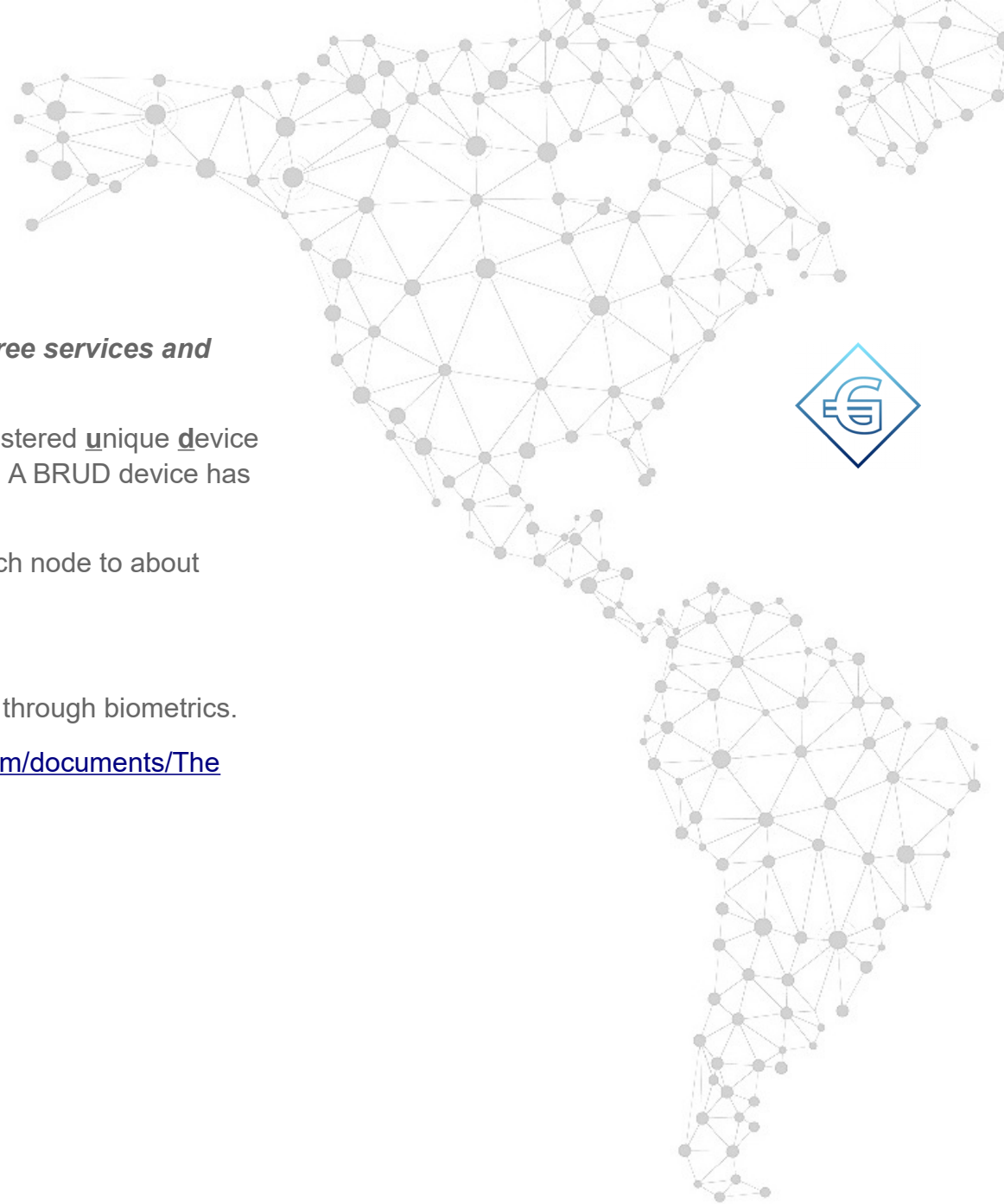


**Question 5: How can Gorbyte avoid over-use of its free services and prevent denial of service attacks?**

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 6: *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.

