VPACK VOCABULARY

Airdrop - An airdrop refers to the distribution of free tokens or coins to a particular group of individuals or addresses

Altcoin - Altcoin is defined as any cryptocurrency except for Bitcoin. "Altcoin" is a combination of two words: "alternative Bitcoin" or "alternative coin".

Blockchain - Blockchain is defined as a digital recording, used to prove that a group of people came to an agreement about something. Blockchain records are permanent and very secure, preventing manipulation. The first example of blockchain technology are the initial records of Bitcoin transactions.

Block - Block is defined as a single digital record created within a blockchain. Each block contains a record of the previous block, and when linked together these become the "chain".

Bitcoin - Bitcoin is defined as an early digital cash that started the cryptocurrency movement. It was created in 2009 by an unknown person or group who went by the name, Satoshi Nakamoto.

Currency - Currency is a system and its units for exchanging value. The value of each unit is agreed to be worth something. Currency is used to pay for things and services as well as debts. The history of the word currency comes from current, meaning in use now. Currency is usually in use now because the government or banks produced it and we all agree it has value.

CEX - A centralized exchange (CEX) is a cryptocurrency exchange that operates on a centralized platform owned and operated by a single entity.

Cryptocurrency - Cryptocurrency is an electronic money that uses technology to control how and when it is created and lets users directly exchange it between themselves, similar to cash.

DAO - An organization that operates using smart contracts and is run by its members through a consensus mechanism, usually on a blockchain platform.

DAPP - A software application that operates on a decentralized network or blockchain platform. DApps are designed to be open source, decentralized, and autonomous, and they typically use smart contracts to enforce rules and protocols.

Defi - DeFi, or Decentralized Finance, refers to a financial system that operates on a decentralized network, usually a blockchain platform, without the need for traditional financial intermediaries, such as banks or financial institutions.

Digital Asset - A digital asset is any form of asset that exists in a digital form, such as cryptocurrencies, tokens, digital documents, digital images, digital music, and digital videos, among others.

DYOR - Do your own research

FOMO - Fear of missing out

Fork - A fork or accidental fork is a split in the digital recordings, known as the blockchain.

Hard Fork - Hard fork is defined as a disagreement in the operations of a cryptocurrency followed by a decision to make a permanent change to the technology resulting in part of the group splitting off to form their own cryptocurrency.

Soft Fork - A soft fork is a change made to cryptocurrency technology creating a temporary split in the group of recordings (blockchain).

FUD - Fear, Uncertainty and Doubt

GameFi - Play to earn blockchain games that offer rewards or incentives to players.

GAS - A gas fee is a fee paid by users to the miners of a blockchain network, usually to process a transaction or execute a smart contract on the network.

Hashing - Hash function is defined as a computer program that takes information and turns it into a series of letters and numbers of a certain length, this process is non-reversible.

HODL - HODL is defined as a misspelling of "hold". It has evolved into a shortened form of "Hold On for Dear Life".

Interoperability - Interoperability refers to the ability of different systems or networks to work together seamlessly, without the need for additional modifications or adaptations.

Liquidity Pool - A liquidity pool is a pool of funds, usually held in a smart contract on a decentralized exchange (DEX), that is used to facilitate trading of cryptocurrencies or tokens.

Market Capitalization - Market capitalization or Market Cap is defined as a way to rank the value and size of an asset (stock, cryptocurrency, etc.). This is calculated by multiplying the total number of coins by the latest price.

Memecoin - A memecoin is a type of cryptocurrency that is created for fun, entertainment, or as a meme, rather than for any practical purpose or utility. Memecoins often have catchy names, logos, and slogans, and their value is often determined more by social media hype and community interest than by any underlying technology or asset.

Metaverse - A metaverse is a virtual world or universe that is created using advanced digital technologies, such as virtual reality, augmented reality, and blockchain.

Mining - Mining in cryptocurrency refers to the process of adding new transactions to the blockchain and creating new units of the cryptocurrency by solving complex mathematical algorithms.

NFT - A non-fungible token (NFT) is a type of digital asset that represents a unique item or piece of content, such as art, music, videos, or in-game items. Unlike cryptocurrencies, which are fungible and can be exchanged for one another, NFTs are non-fungible and cannot be exchanged for another NFT on a one-to-one basis.

POS - Proof of Stake (POS) is a consensus algorithm used in blockchain networks to validate transactions and create new blocks on the blockchain.

Private Key - Private key is defined as a string of letters and numbers known only by the owner that allows them to spend their cryptocurrency. NEVER SHARE your private key unless you want someone else to be able to take all of your money!

Public Key - Public key is defined as a string of letters and numbers that allows cryptocurrency to be received. However, public keys are not considered as safe to use as public addresses.

Rug Pull - Scams in the Defi Space

Shill - To shill means to promote or endorse a cryptocurrency, product, or service in a deceptive or misleading way, often for personal gain.

Smart Contract - A smart contract is a self-executing contract that is stored on a blockchain and automatically enforces the rules and terms of an agreement between parties.

Stablecoin - A stablecoin is a type of cryptocurrency that is designed to maintain a stable value, typically pegged to a fiat currency such as the US dollar or a commodity like gold.

Staking - Staking is the process of holding or locking up cryptocurrency in a wallet or smart contract to support the operations of a blockchain network, in return for earning rewards or fees.

SWAP - Swapping in cryptocurrency refers to the process of exchanging one cryptocurrency for another, typically through a decentralized exchange (DEX) or a centralized exchange (CEX).

Wallet - Wallet is defined as software that interacts with the blockchain and lets users receive and send their digital money.

Paper Wallet - A paper wallet is simply a piece of paper containing the information needed to access and spend your cryptocurrency.

Hardware Wallet - A hardware wallet is a specially designed device to lock away access to your cryptocurrency.

Software Wallet - A software wallet is a computer program designed device to secure your cryptocurrency while allowing only you to access it.

Web 3.0 - Web 3.0, also known as the decentralized web, is the next generation of the internet that is focused on decentralization, interoperability, and the use of blockchain technology.

Yield Farming - Yield farming, also known as liquidity mining, is a process of earning rewards by providing liquidity to a decentralized finance (DeFi) platform or protocol.