

LUXURY

# Ethereum's 4-Year roadmap is being beaten by a small startup in an Australian country town

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The financial and digital world is rapidly changing. With the revolution of decentralised finance, commonly known as DeFi, people can now store and transfer digital value without relying on third-party trust and even in some cases, central banks.

At a fundamental level, financial freedom starts with the right for people to control their own assets—both in the country they reside in and across the world.

Zucoins, a peer-to-peer next-generation cryptocurrency, has a uniquely powerful and scalable technology that is being used to bridge the gap between traditional and decentralised finance. Zucoins is beginning to exit stealth mode, one step at a time, and is preparing for global mass adoption financial freedom.

At first glance, a number of interesting things strike people about this unique system.

For one, there's no blockchain. The network operates on an entirely different concept, called SplitChain.

In normal circumstances, the network will only store the last 2 transactions—a stark difference to blockchain's traditional approach of storing every transaction, everywhere, since day one.

## The technology

There's an important difference between Zucoins and SplitChain.

SplitChain is what the industry calls a "Layer 1" network. This is the most fundamental level of a system. It's the underpinning infrastructure. Think of it like the electrical grid that powers your house.

Zucoins is like the appliance you plug-in—the toaster or hairdryer. Zucoins becomes the default exchange token on this SplitChain network.

Solving the 'blockchain trilemma' of security, scalability and decentralisation, SplitChain's network outperforms Bitcoin and Ethereum's roadmap progress by a mile, via a novel and hidden fourth factor that's usually not considered—time.

Simply put, Zucoins are in the market to enable anybody, anywhere, to have the financial freedom to own what they say they do.

Unlike other DeFi solutions, Zucoin transactions are free and in real-time. Transactions typically settle within 90 seconds on the network—faster than the often 1+ hour settlement time of popular blockchains.

Because the ledger is updated autonomously through a new, efficient settlement method between users, there is no need for costly fees from Miners or third-party verification. There are, in fact, no fees at all!

Together with the in-built 2-factor authentication (2FA), people have the comfort of knowing transactions always land in the hands of the intended receiver, no matter how big or small the transaction is.

If you send a transaction to the wrong person, there's no issue. No lost funds. The transaction simply expires after 90 seconds. Then you can try again. No harm done.

Furthermore, you can send the transaction details to the receiver using your preferred communication methods, for example, via encrypted messaging apps like WhatsApp, Signal or Threema, or even via the common text messaging network.

What's more, there's little chance of receiving spam, or worse, dangerous and unintended associations. In recent headlines, Tornado Cash—a service that mixes cryptocurrency funds with others, so as to obscure the trail back to the fund's original source, was sanctioned and effectively banned by the U.S. Treasury Department.

Following this decision, media outlets were flooded with reports that many prominent individuals with cryptocurrency wallets, were being sent funds from Tornado Cash users, in order to associate these people with the banned uses. An attempt by some to bring a number of prominent people down.





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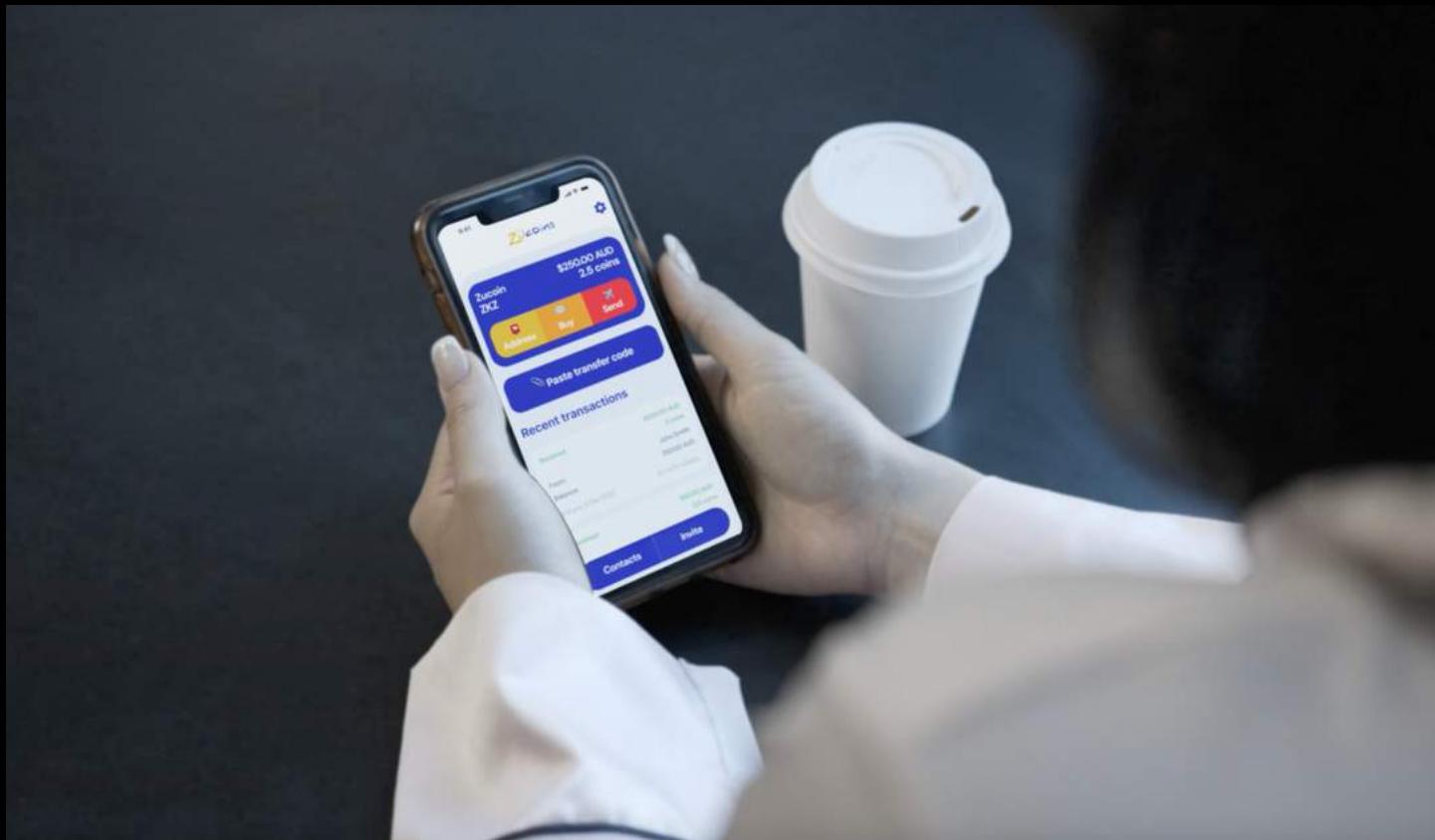


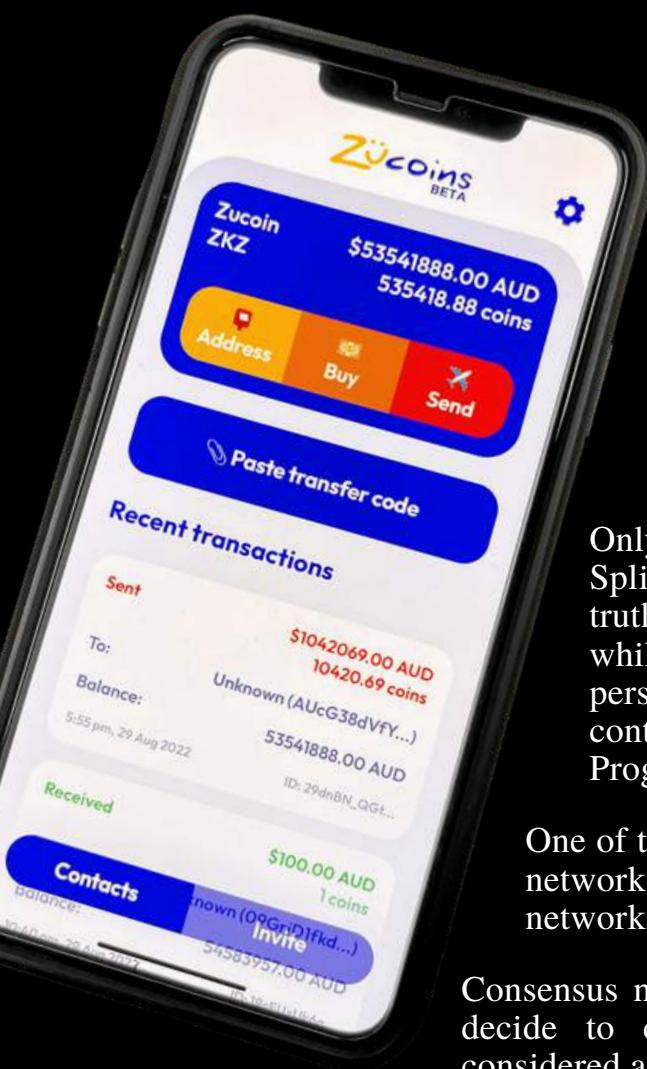
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SplitChain's in-built 2FA means that a random individual on the network can't send you something without you accepting it. A feature that sounds simple, but to implement it, required a full re-design of the SplitChain system's architecture

SplitChain also features the ability to handle future-proofed levels of micro-transactions—in fact, down to 32-decimal places. Most other blockchains are limited to just 8 decimal places. As the price of other blockchains' coins rise, their ability to be used to purchase low cost everyday items dwindles. After a certain point, you won't be able to physically break a coin down to a small enough fraction to pay for a coffee. Increasing this limit to 32-decimal places was no small feat—computers normally struggle with anything beyond 16 decimal places, so the team engineered a different way of doing arithmetic.





## A different way to reach the truth

Only the most recent transactions are cached across the SplitChain network. This is done so others can find the truth they need to transact reliably with another user, while keeping the network fast and lightweight. A person's full history of transactions, cryptographic keys, contacts and more, are solely stored by the Zucoins Progressive Web Application (PWA) on their phone.

One of the most interesting differences is that the SplitChain network, unlike blockchains, isn't actually a consensus network.

Consensus networks can be compromised when enough people decide to change their opinion on what transactions are considered acceptable or not. Effectively, your transaction's success hinges on a vote, controlled by an increasingly centralised group of network validators. On SplitChain, however, as long as users can find a single opposing truth, the transaction will be reliably complete.

Almost all of the data stays on a user's phone, stored inside the Zucoin self-managed wallet, built using modern (PWA) processes. Developed using this increasingly popular and modern method of building apps, the Zucoins wallet app doesn't need to be on centralised app stores, where it could be removed at the whim of big tech companies.

In addition, each wallet is easy to manage and can be backed up, so the Zucoins wallet is safe and secure even in the event of a lost or broken phone.

Zucoins are more eco-friendly when compared with other cryptocurrencies due to the minimal additional energy consumption and the peer-to-peer fragmented storage and no mining process.

Because cryptocurrencies, including Bitcoin, rely on proof-of-work to validate transactions, they cause major harm to the environment due to the high energy consumption output used to validate a transaction.

Furthermore, unlike Ethereum's recent efficiency upgrade dubbed The Merge, the SplitChain network is continually rolling out changes to minimise centralisation, away from a small number of controlling participants.

## How did Zucoins come about?

The origins story is just as unusual and left field as the system itself.

Albury-Wodonga is a pair of towns sprawled over the Australian states of New South Wales and Victoria. While separated by a river that borders each state, to outsiders, it almost appears as one city. The area is known for its laid back lifestyle and close proximity to Australia's only alpine snow region—it's the kind of place city dwellers move for a calmer, more relaxed pace.

It seems the team at Zucoins never got that memo. Inside a humble office lies one of the most progressive tech companies in the country. Winning an Australian Business Innovation award back in 2020, the team has been on a streak of engineering cutting-edge tech products, bucking the conservative and staid surroundings they operate within.

Even way back before SplitChain, a system called SplitLock had been invented.

Built in the mid 2000's, SplitLock's technology was acquired and remained dormant, while the acquiring company focused their efforts on other operations.

SplitLock's innovations came about by vastly improving the secure transfer and storage of data by fragmentation—breaking it up into smaller pieces using clever recovery mechanisms. A user's data never had to sit in one place, open to data leaks and hacks.



During a complete rebuild focusing on the modernisation of SplitLock in 2016, the team realised that the fundamentals of data fragmentation could be applied to blockchain. From that light bulb moment, SplitChain was created. The result was that data could now be stored in many pieces and places, securely and reliably, with proof of data transfer and ownership.

## What can it do?

Zucoins is the first of many use cases for SplitChain technology.

Unlike blockchain, SplitChain is distributed ledger technology, whereas traditional blockchains are incremental blocks added to the ever increasing chain length.

SplitChain's ground-up approach propagates and returns cached information across network nodes to users, allowing these users to perform transaction validation. Information is stored as individual transactions and used as pieces of agreed proofs.

To keep the network relatively lightweight, it scales with the number of network peers, reaching hundreds of thousands of transactions per second.

On blockchains, two users doing 10,000 transactions will cause 10,000 pieces of data to be stored on the network. Astonishingly, in this same scenario, SplitChain's network will most often store just four pieces of data—two per user. That's a 99.96% reduction in stored data. The effect of this means the network remains extremely low-cost and efficient to run, further reducing centralisation or resources. Less data means there is no need for big budgets to store data, unlike on blockchain networks. There's no centralisation needed to scale the SplitChain network.





Impressed by the performance to date, what the founders and creators find even more remarkable about the SplitChain network, are the future use cases.

## **Uses as payments**

Zucoins provides an answer to payment problems. Zucoins can support payments with a simple integration, and real-time, secure processing. It provides the opportunity for companies to incorporate a powerful new system and take the lead in an emerging industry.

## **Uses as verification of data**

The SplitChain and Zucoins ecosystem use a transactional framework that works with other data and transaction types. This means that third parties can utilise the framework for their own decentralised transfer and verification of data. The ecosystem facilitates a reliable, verifiable and secure online transaction and exchange method for different data types.

## Putting it all together

The decentralised system not only handles decentralised exchanges of ownership, but is capable of distributing verified data (as read-only, for example) and has potential for a truly decentralised web, with strong redundancy of data storage. Uses could include personal cloud storage solutions, verifying sources of data and even managing augmented and virtual reality concepts such as collectible items, real estate, brands and product catalogues.

There are also plans on the roadmap to index chosen metadata that could result in developers creating applications such as a decentralised mechanism for searching through this decentralised system, which in effect would be a decentralised search engine without any third-party storage and indexing.

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