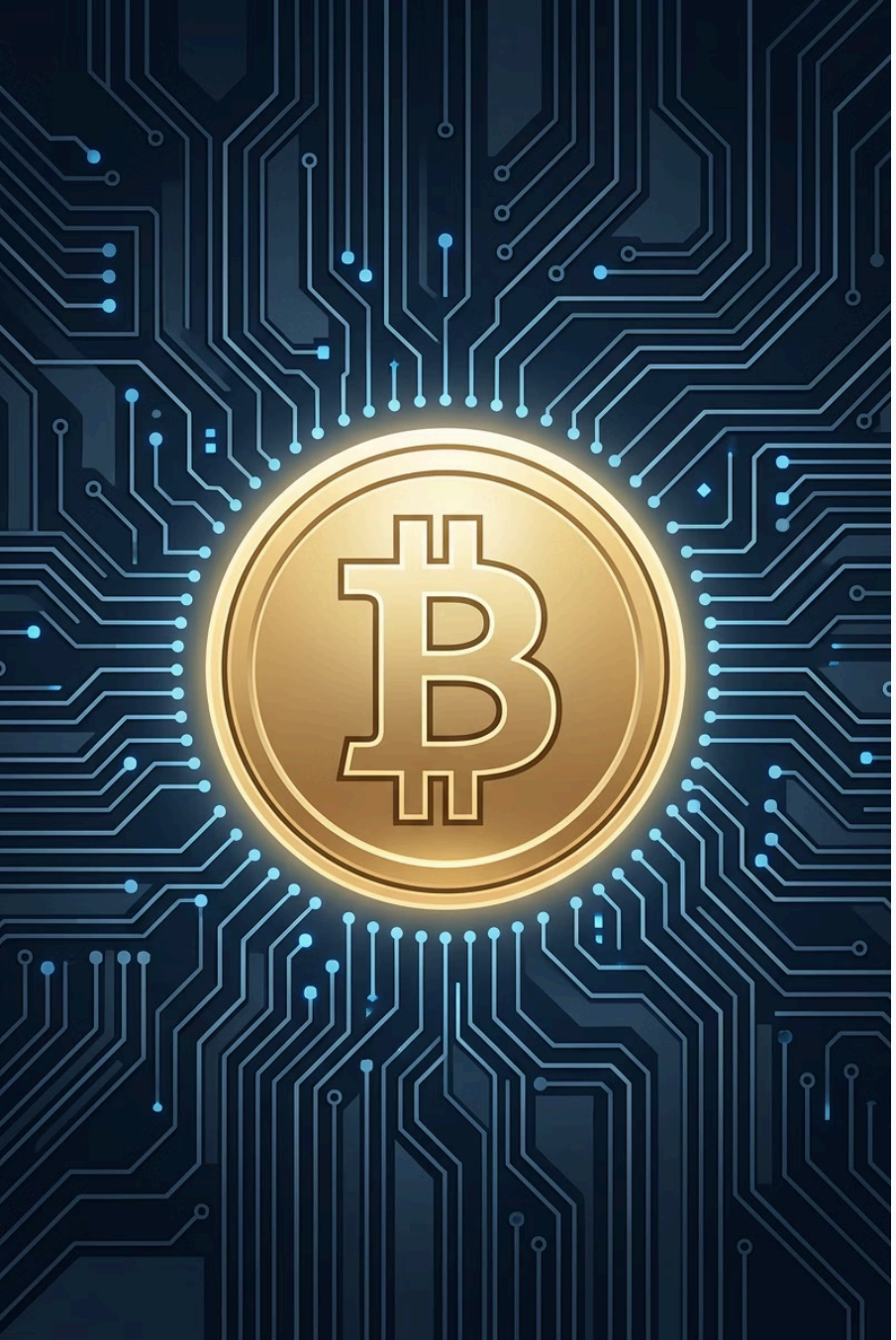


Bitcoin 101: BTC's Past, Present & Future

A beginner's guide to Bitcoin — its history, how it works, how to buy and store it securely, and where it's headed in 2026 and beyond.

BEGINNER'S GUIDE

BY KERBERUS

Read the full guide at Kerberus.com/learn

KERBERUS

CHAPTER 1

What Is Bitcoin?

Digital money – no banks required

Bitcoin is a **decentralized digital currency** created in 2009 by the pseudonymous Satoshi Nakamoto, born from the 2008 financial crisis.

Fixed Supply

Only **21 million BTC** will ever exist — scarcity is hard-coded into the protocol.

Decentralized

No government, bank, or company controls it. The network is global and permissionless.

Transparent

Every transaction is recorded on a **public blockchain** — immutable and verifiable by anyone.

CHAPTER 2

Who Is Satoshi Nakamoto?

Bitcoin's creator published the whitepaper on **October 31, 2008**, then vanished in 2010. Their **~1 million BTC** has never moved.

Hal Finney

First Bitcoin recipient. Leading cryptographer. Denied being Satoshi. Died 2014.

Nick Szabo

Created "bit gold" before Bitcoin. Strong conceptual overlap. Denies involvement.

Craig Wright

Claimed to be Satoshi in 2016. Widely disputed. No proof accepted by the community.

Adam Back

Invented Hashcash — the proof-of-work system that inspired Bitcoin's design. Denies it.

> Many believe Satoshi is a group, not a single person — the whitepaper uses "we."

CHAPTER 3

A Brief History of Bitcoin

Oct 2008

Whitepaper published by Satoshi Nakamoto

Jan 2009

Genesis Block mined — Bitcoin born

May 2010

Bitcoin Pizza Day — 10,000 BTC for two pizzas (~$750M today)

Nov 2013

BTC hits $1,000 for the first time

Dec 2017

All-time high at $19,783 — mainstream fever

Apr 2024

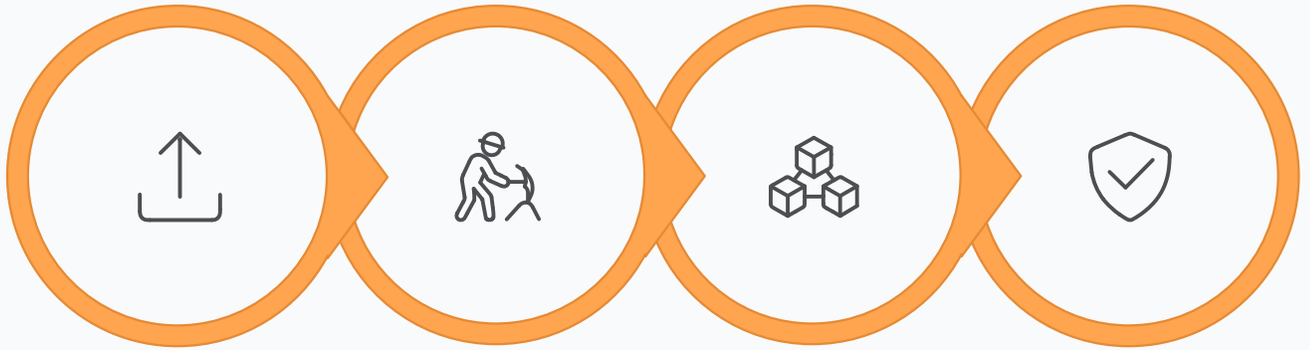
Fourth halving — reward drops to 3.125 BTC

Oct 2025

New ATH: **$126,200** driven by ETF & institutional inflows

CHAPTER 4

How Does Bitcoin Work?



Every Bitcoin transaction is verified by a global network of miners and permanently recorded — making double-spending virtually impossible.

Key Concepts

Blockchain

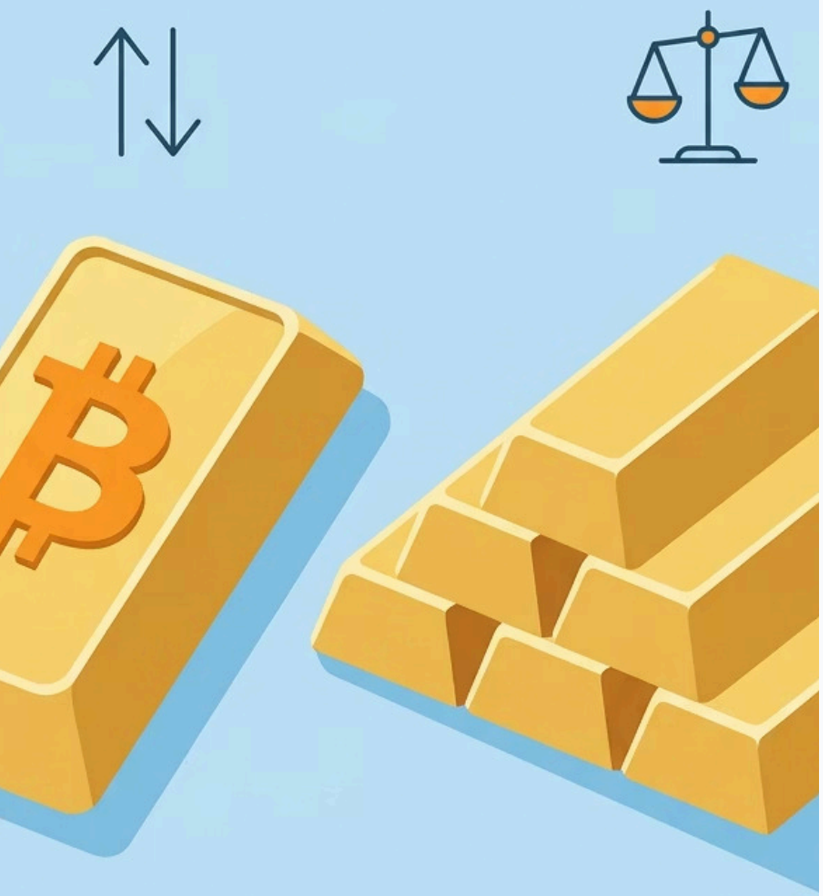
A public ledger of every transaction, ever.

Mining

Computers compete to solve puzzles and earn new BTC.

Proof of Work

Makes rewriting history astronomically expensive.



CHAPTER 5

Why Is Bitcoin Valuable?

Scarce by Design

Only 21 million BTC — ever. Supply runs out around **2140**. No central bank can inflate it away.

Censorship-Resistant

No government can unilaterally shut it down. Transactions cross borders instantly.

Digital Gold

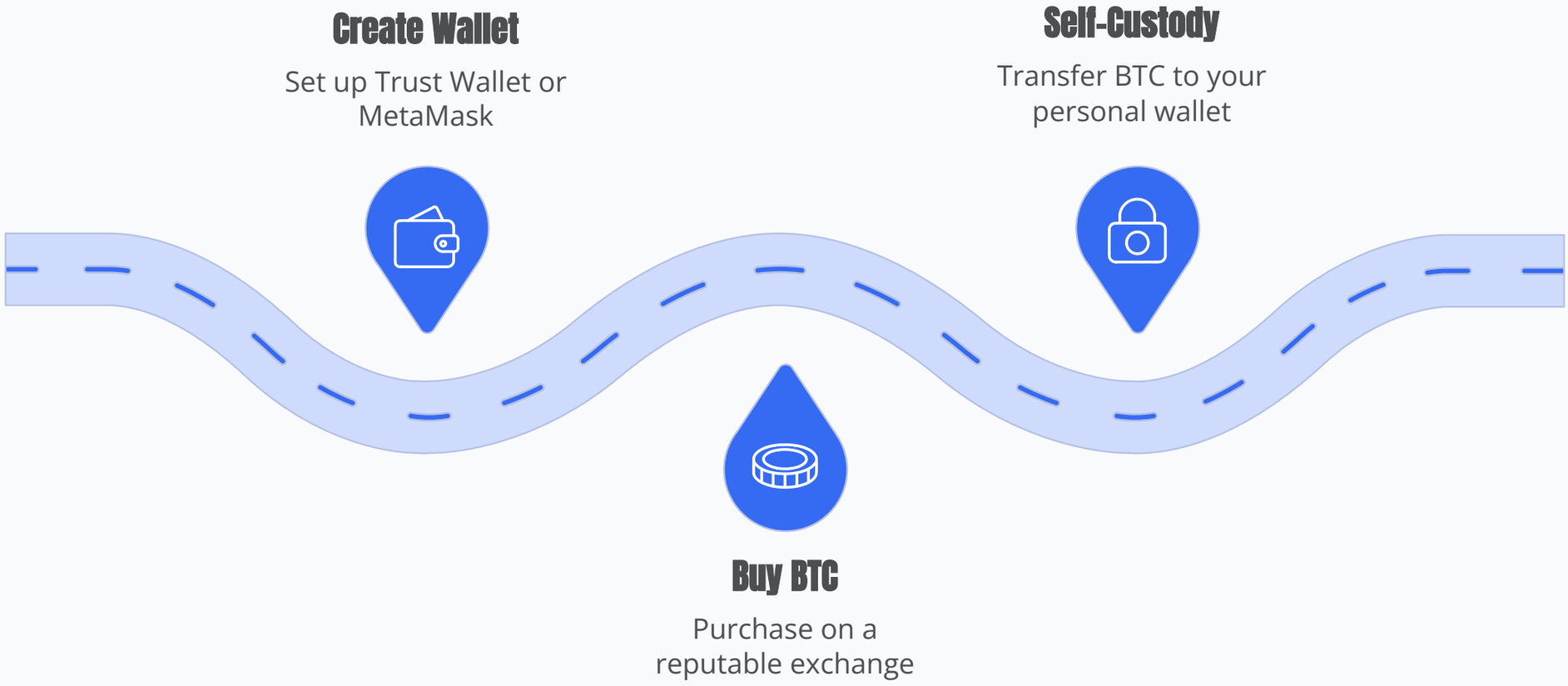
Increasingly recognized as a safe-haven asset — especially during economic uncertainty.

Utility

Fast, low-cost, borderless payments — no intermediary required.

CHAPTER 6

How to Buy Bitcoin



Once purchased, **move your BTC off the exchange**. If you don't control the keys, you don't own the Bitcoin. Exchanges are airports — not hotels.

Beginner Wallets

Trust Wallet · MetaMask · Phantom

Reputable Exchanges

Coinbase · Kraken · Binance

Self-Custody

Transfer to your wallet. You hold the keys.

CHAPTER 7

How to Store Bitcoin Safely

The safest setup in 2026

- Use a **hardware wallet** from the official manufacturer — never resellers
- Write your **seed phrase** on paper or metal — never digital, never cloud
- Enable a strong **PIN + passphrase** for added protection
- For large holdings: use a **multisig setup** requiring multiple approvals
- **Always verify** addresses before sending — transactions are irreversible

CHAPTER 8

Real-World Threats to Bitcoin Holders

🎣 Phishing & Malware

Fake wallet sites steal seed phrases. Malware silently swaps pasted addresses. **Never enter your seed phrase into a website.**

📱 SIM Swaps

Attackers hijack your phone number to reset passwords. Use an **authenticator app** — not SMS — for 2FA.

🏦 Exchange Hacks

If BTC sits on an exchange, you don't own it. History is full of collapses. **Withdraw to a wallet you control.**

Most Bitcoin losses come from bad platforms and social engineering — not from the Bitcoin network itself.

CHAPTER 9

Bitcoin Security: Everyday Best Practices

Your Security Checklist

01

Strong Passwords

Long, unique passwords for every exchange and wallet login. Use a password manager.

02

App-Based 2FA

Google Authenticator or Authy — never SMS for anything crypto-related.

03

Clean Devices

Updated OS, no pirated software, no random browser extensions.

04

Bookmark Official URLs

Never click wallet or exchange links from emails, DMs, or ads.

05

Verify Before Sending

Check the first and last characters of every address. Send a small test first.

CHAPTER 10

Bitcoin & Traditional Finance

Bitcoin ETFs

Mainstream investors buy BTC exposure through stock exchanges — **no private keys needed.** Spot ETFs hold real Bitcoin.

Digital Asset Treasuries

Companies like Strategy hold **713,000+ BTC** on their balance sheets. Share prices track — sometimes amplify — Bitcoin's price.

Regulatory Clarity

SEC and CFTC classify BTC as a **commodity**. The GENIUS Act and 2025–26 legislation have boosted institutional confidence.

ETFs lower the barrier to entry — but owning your own wallet removes the middleman entirely.

CHAPTER 11

Bitcoin's Evolution: BTCFi & Ordinals

Bitcoin is no longer just "digital gold"

New layers are turning BTC into a **productive asset**.

BTCFi / DeFi

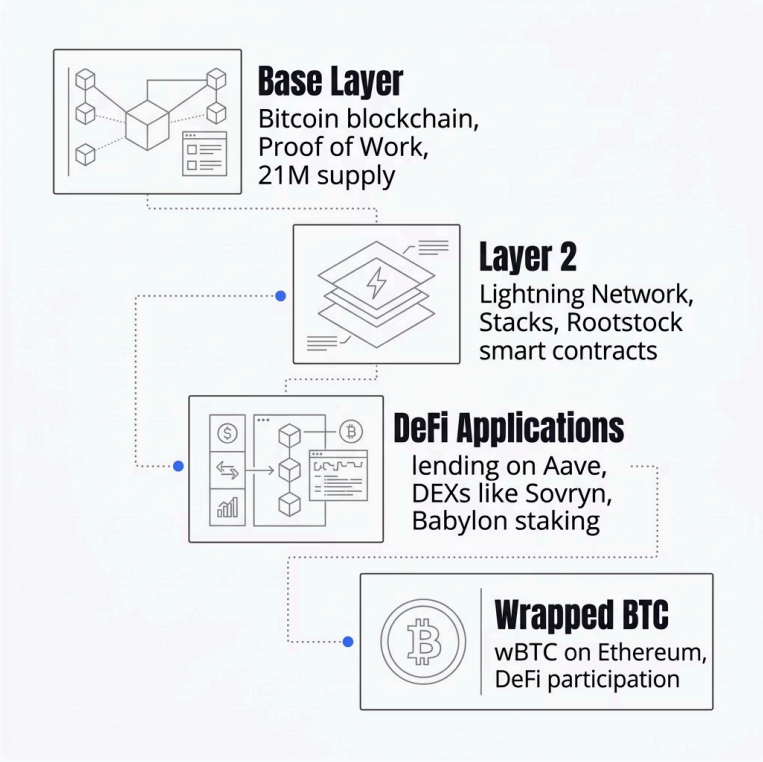
Lend BTC for yield, borrow stablecoins, stake via Babylon Protocol — all without selling.

Ordinals & BRC-20

Bitcoin-native NFTs and tokens. ORDI, 1000SATS traded on dedicated markets since 2023.

Taproot (2021)

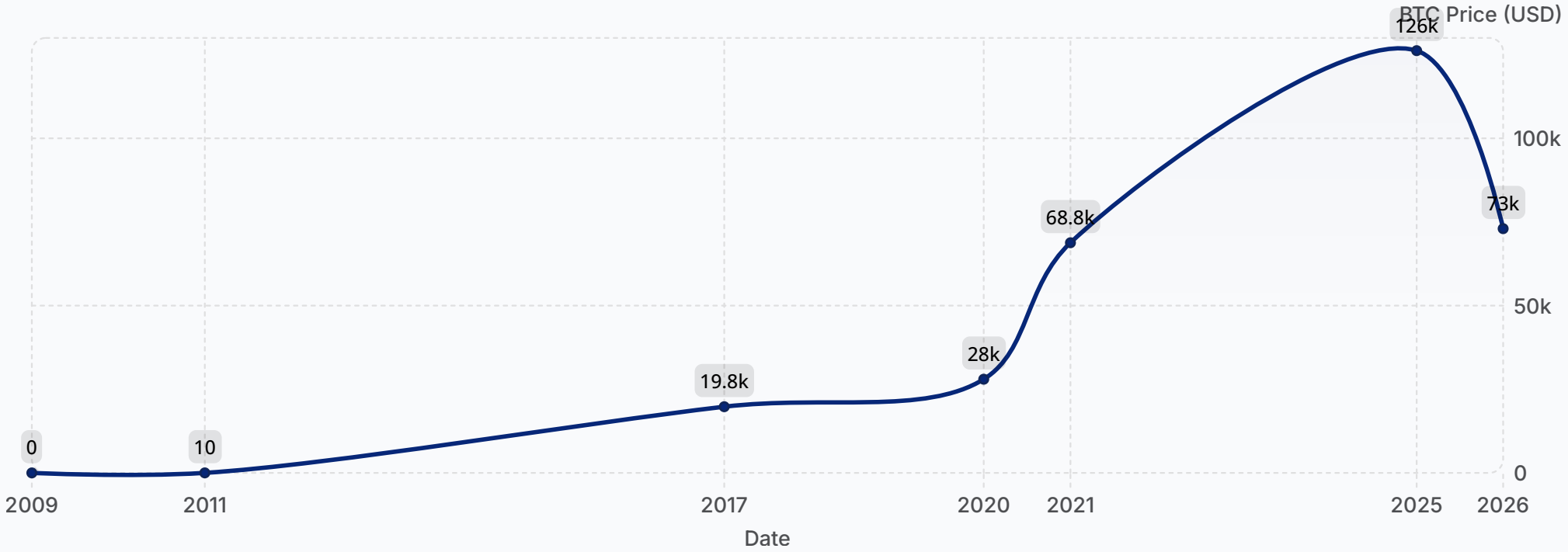
Improved smart contracts, multisig efficiency, and transaction privacy on the base layer.



CHAPTER 12

Bitcoin Price History at a Glance

316k 2009 – 2026
Total BTC Price (USD)



From $0 to $126,200 — Bitcoin's price history reflects each halving cycle, wave of institutional adoption, and landmark regulatory moment. Volatility is the price of admission.

CHAPTER 13

The Future of Bitcoin Security

None of these are immediate emergencies — but informed holders stay ahead of the curve.

What This Means for You

Mining & Halvings

Block rewards halve every 4 years. By 2028: **1.5625 BTC per block**. Transaction fees must fill the gap.

Government Pressure

Governments can't kill Bitcoin — but they can pressure exchanges. Use non-custodial wallets.

Quantum Threat

Not imminent. Bitcoin can upgrade to quantum-resistant cryptography when needed. Avoid address reuse now.

CONCLUSION

Key Takeaways

Fixed Supply

Only 21 million BTC — ever. Scarcity is the foundation of Bitcoin's value.

Unknown Creator

Satoshi Nakamoto's identity remains a mystery. Their 1M BTC sits untouched.

Self-Custody Wins

A hardware wallet with offline seed phrase is the gold standard for BTC storage.

Humans Are the Weak Link

The blockchain has never been hacked. Losses come from phishing and bad platforms.

BTC Is Mainstream

Bitcoin ETFs and institutional treasuries have made BTC a legitimate asset class.

Start small. Learn the basics. Secure your keys. Welcome to Bitcoin.

How KERBERUS Keeps Your Bitcoin Safe

Kerberus acts as a transaction firewall — protecting you when you move beyond basic Bitcoin storage into Web3, bridges, and wrapped BTC (wBTC).

[Download free Kerberus Web3 security browser extension here]

Blocks Scam Sites

Detects and blocks malicious crypto sites before your wallet connects — some are stopped from loading entirely.

Address Poisoning Alerts

Flags manipulated wallet addresses before you send funds.

Social & Live Threat Alerts

Warns about impersonator accounts on X and pushes real-time alerts on active exploits.

Loss Coverage

Third-party coverage up to $30,000 if a malicious transaction slips through.

SCAM DETECTION

99.9% Detection Rate

Sentinel3 instantly blocks malicious Web3 sites before wallet connection, displaying this alert to prevent asset loss. Engineered by veterans with 15+ years in offensive security, our AI detection algorithm underwent 2 years of rigorous battle-testing before deployment—creating an impenetrable shield between users and sophisticated threats.