

# What is Blockchain?

Basically, a blockchain consists of multiple digital blocks which are strung together. Blockchain's purpose is to record and distribute information digitally without anyone having an ability to copy or edit it.

These digital pieces of information are about transactions (the act of paying for a good or service) and are stored in a public database. The 'blocks' specifically contain information about the transaction. For example, the date, time, and value of the transaction are recorded. These transactions don't use an individual's actual name, but their digital signature which is similar to a user name. Information in each block is uniquely coded and stored so it won't get confused with other blocks. Once new blocks are added to the chain, it is very difficult to go back and edit a prior block.



When new data arrives about another transaction, it is added to the blockchain. There are four key items that must occur before a block can be added to the chain, the transaction must:

1. Have occurred.
2. Can be verified.
3. Be stored in a block.
4. Receives a unique code to identify it.

Once all those steps have occurred and the block is added to the blockchain, the transaction is available for the public to see.

People often think that blockchain and Bitcoins are the same, which they are not. Bitcoin is a digital currency which was built on the blockchain technology. Instead of using banks or financial institutions, Bitcoin is based on person-to-person transactions.

