

Bitcoin System Constitution

A constitutional standard for Bitcoin-aligned systems

THE PROBLEM

Bitcoin solved the double-spending problem without a trusted third party. But the systems built around it (exchanges, bridges, Layer 2 networks) often reintroduce the same dependencies Bitcoin was designed to eliminate.

Hidden leverage. Trapped funds. Custodians who cannot prove their reserves. Governance that never ends. There is no shared standard for what it means to be aligned with Bitcoin's principles.

THE SOLUTION

This constitution defines **rules, not code**. It establishes three layers:

Layer 1: Bitcoin

Final settlement. Savings. The monetary base. Nothing overrides this.

Layer 2: The Cash Rail

Fast payments for daily use. Simple by design. Funds always withdrawable to Layer 1.

Layer 3: Smart Contracts

Experimentation. Tokenized systems. Optional risk, clearly labeled.

Value moves up for utility. Value must always be able to move down for safety.

WHAT THE CONSTITUTION REQUIRES

- ✓ Exit is a right. No approval needed.
- ✓ Custody must be real. Distributed control.
- ✓ You know what you hold. Clear distinctions.
- ✓ Governance dies on schedule. 30 year max.
- ✓ Bridges must prove themselves. Independently.
- ✓ Proof, not promises. Reserves verifiable.
- ✓ Credit is not money. Must be labeled.
- ✓ Transfer stays simple. Plain at the core.
- ✓ No permanent gatekeepers. Decentralize over time.
- ✓ Breaches are permanent record. No hiding.

WHAT THIS IS NOT

Not a token Not a product Not a protocol implementation

It is a **constitutional standard**: a set of principles that any Bitcoin system can adopt, and that anyone can use to judge whether a system is honest.

THIRTEEN CORE TRUTHS

1. Layer 1 preserves scarcity.
2. Layer 2 preserves spendability.
3. Layer 3 preserves experimentation.
4. Credit must never masquerade as money.
5. Proof must replace trust wherever claims exist.
6. Reserves must be held, not just shown.
7. Plain transfer must remain native at the core.
8. Exit preserves freedom.
9. Governance must die on schedule.
10. A new system requires new consent.
11. Dependence must remain escapable.
12. No incumbent may become the exclusive doorway.
13. Centralization must decrease over time.

KEY GOVERNANCE TIMELINE

Years 1-5

Constitutional amendments permitted

Years 1-25

Governance decisions permitted

Year 30+

System ossifies. No extensions.