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(51) Int.Cl.⁶ H04L 12/16, H04L 12/22, H04L 9/00, G07F 19/00

(54) **ARGENT ELECTRONIQUE ET METHODE DE STOCKAGE ET
DE TRANSFERT D'ARGENT ELECTRONIQUE**

(54) **DIGITAL MONEY AND STORAGE/TRANSFER MEANS
THEREOF**

(57) A method of electronic/digital cash storage and payment for goods or services ordered or received via the internet or purchased directly from a merchant.

Abstract: A method of electronic/digital cash storage and payment for goods or services ordered or received via the internet or purchased directly from a merchant.

PATENT ACT

FORM 24

Title: Digital Money and Storage/Transfer Means Thereof

Specification: This invention relates to the digital medium known as the internet, where goods and/or services can be bought or obtained or used for personal consumption. Currently the only way to purchase such goods or services is through the use of a valid credit card account, checking account or by way of a separate 'internet bank' account. The use of such payment means requires the transfer of substantial data from the purchaser to the vendor, in part to lessen the chance of fraudulent use of such credit facilities. Unfortunately, there are many goods and/or services available through the internet medium that can and are purchased from all four corners of the globe. The use of any such credit means then results in the transfer of substantial personal data between the purchaser and the vendor, which presents the opportunity for fraudulent use of such data by both the vendor and/or by any individual or corporation able to intercept such data transmissions. Aside from the financial risk to the purchaser and the credit facility issuer, such other personal information may also be gathered and used for other fraudulent means.

These current methods of payment also allow both the vendor and the credit card issuer to track all such purchases, providing substantial personal information for such vendors to profile each such customer by numerous categories, tracking many personal habits or inclinations, for future use, re-sale, mailing lists, solicitations, etc.

The proposed invention relates to the design and development and deployment of an electronic cash payment system that allows the purchaser to in effect pay cash for goods and/or services obtained over the internet, electronically and anonymously, without the use of a credit card, checking account or other banking means. In effect the customer will electronically pay cash for the purchase of the goods or services. The proposed invention will also allow people without a banking account, credit card, or other financial means to use the internet for the purchasing of such goods and services, either online or through a retail source.

The proposed invention will use the currently acceptable 3.5 inch floppy disc for storage and transmission, until such better read/write data storage alternatives are readily available. The protocol for use of the floppy cash will be as follows.

1. The user of such digital cash means will have to have access to or use of the appropriate read/write floppy cash encryption and transfer software and the internet.
2. The digital cash will only be accessible through the use of the software and the security pin number supplied with each floppy disc.

3. The purchaser will have to log on to the internet and select the appropriate goods or services for purchase.
4. The purchaser will then initiate the digital cash software for the transfer of the cash from the floppy disc, through the floppy cash digital network, from the purchaser to the vendor.
5. The digital cash network will verify the encrypted 'serial number' of the digital cash being used for payment prior to releasing the cash to the vendor.
6. After verification, the cash is immediately electronically transferred to the vendor completing the sale.
7. The purchaser is then free to use the service when he or she selects and/or to receive the purchased goods at a place designated by the purchaser, without the transfer of any additional information or data.

The digital cash floppy disc will also see application in the wholesale/retail market place as a method of payment, providing the merchant has access to the internet and has the use of the floppy cash software. The purchaser will then be able to provide the floppy disc to the merchant, providing the merchant is logged onto the internet, after which the purchaser will enter the floppy disc pin number and okay the transfer of the appropriate sum to the merchant, which will be immediately verified/declined by the digital cash system, electronically transferring the funds to the merchant and completing the purchase.

The proposed invention also provides for a means of carrying large sums of 'cash', readily usable at any internet site or internet connected retail site in the world. The digital cash system will also automatically perform currency exchanges for any foreign currency at the time of purchase.

The digital cash system will provide for security features that will prevent the unauthorized use of the digital cash. In the event that a disc becomes lost, stolen or corrupted the serial number of the disc can be provided to the appropriate digital cash department for cancellation and refund/reissue of the outstanding balance, preventing the fraudulent use of the 'cash'. Or alternatively, the floppy cash will be treated as 'real' cash and the loss thereof will be the same as the loss of 'real' currency. IE: If it's lost it is gone for good.

The users of such a system will be able to purchase such floppy cash amounts as required in pre-determined denominations at most any retail establishment (7-Eleven, Max, etc.), at their local bank or in any denomination on the internet, by purchasing and downloading the cash to an appropriate storage device. The access pin number for each retail disc will be attached directly to the retail discs or will be supplied directly to the on line purchaser.

An appropriate credit facility will load and encrypt the predetermined amount of digital cash onto each floppy disc and will catalog each such disc prior to public use/sale to prevent the duplication and/or the fraudulent use of each such disc. Further, each such

floppy disc cash transaction will be third party verified by the credit issuer as a legitimate transaction, using a legitimate cash floppy disc, prior to the completion of each and every transaction.

Drawings:

1. Figure 1 shows the common 3.5 inch floppy disc digital storage facility.
2. Figure 2 shows common computer CPU stations with the common 3.5 inch floppy disc read and write hardware system.
3. Figure 3 shows a schematic detail of the proposed floppy disc cash transaction protocol.

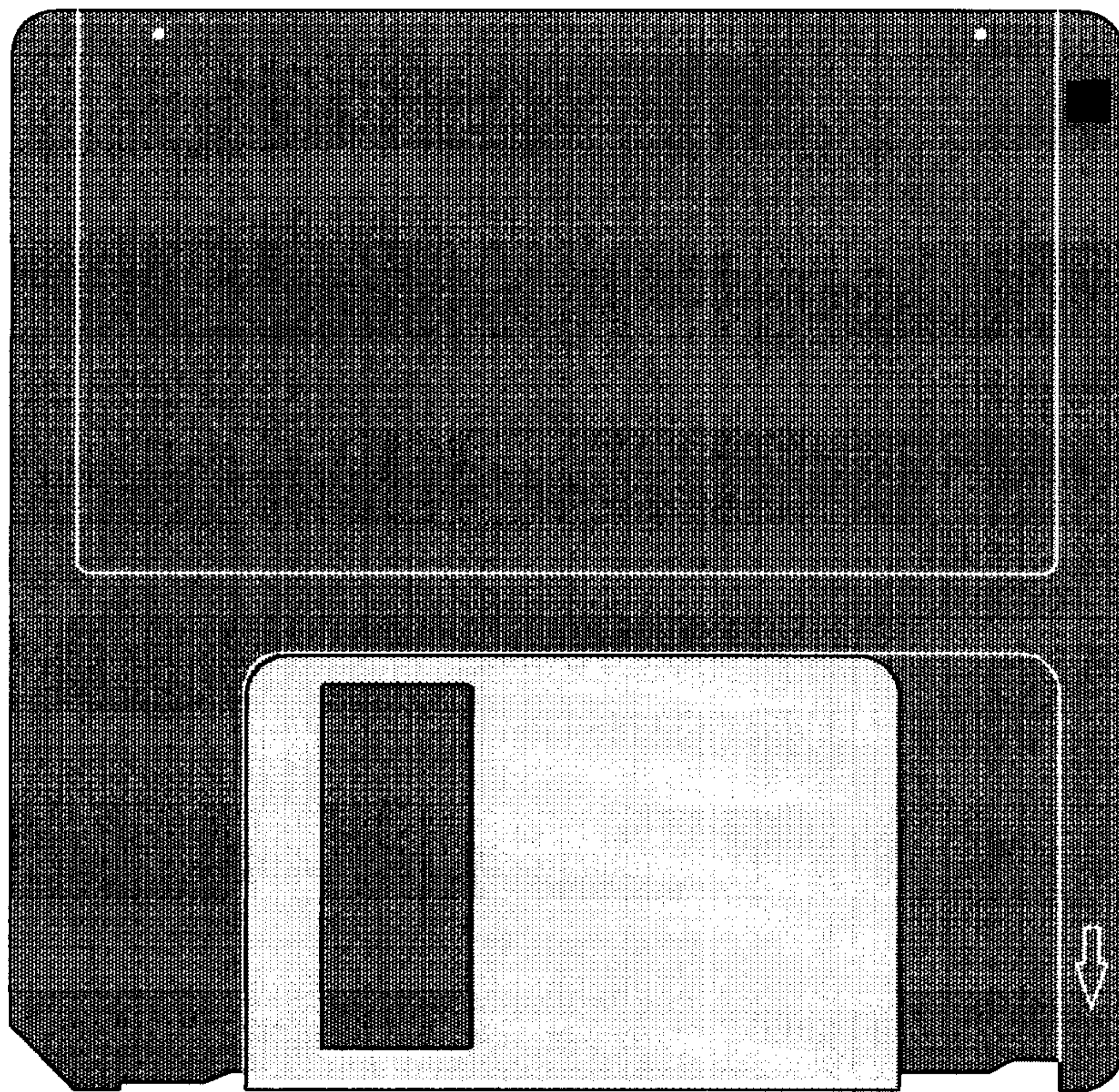
Claims: The embodiments of the invention in which exclusive property or privilege is claimed are defined as follows:

1. An integrated digital read/write encryption and storage software system allowing for the portable storage and anonymous online transfer of digital cash, and the use thereof, for the purchase of goods or services from a vendor to a buyer, on, or by, or through, the use of the internet medium.
2. A read/write software protocol that provides for the ability too electronically debit and credit both the vendor and the buyer in an electronic commercial transaction.
3. A storage/software system for electronic commercial transactions that in effect and result mimics a current real world commercial cash transaction, thereby achieving an electronic commercial cash sale requiring no extra or incidental data from either party.
4. A protocol utilizing a wholly separate, and portable, electronic cash storage medium, a floppy disc that can be used and inserted into any modern computer for both reading and writing by the appropriate floppy cash software.
5. A software system capable of encrypting, transmitting and transferring funds electronically from one source, the buyer, to another, the vendor, using the transaction verification software protocol of a third party, the currency issuer.
6. An electronic currency transaction software system that does not require any data from the buyer, other than a floppy disc and the appropriate security PIN number, to verify the credit and or the ability of the buyer to complete the transaction.

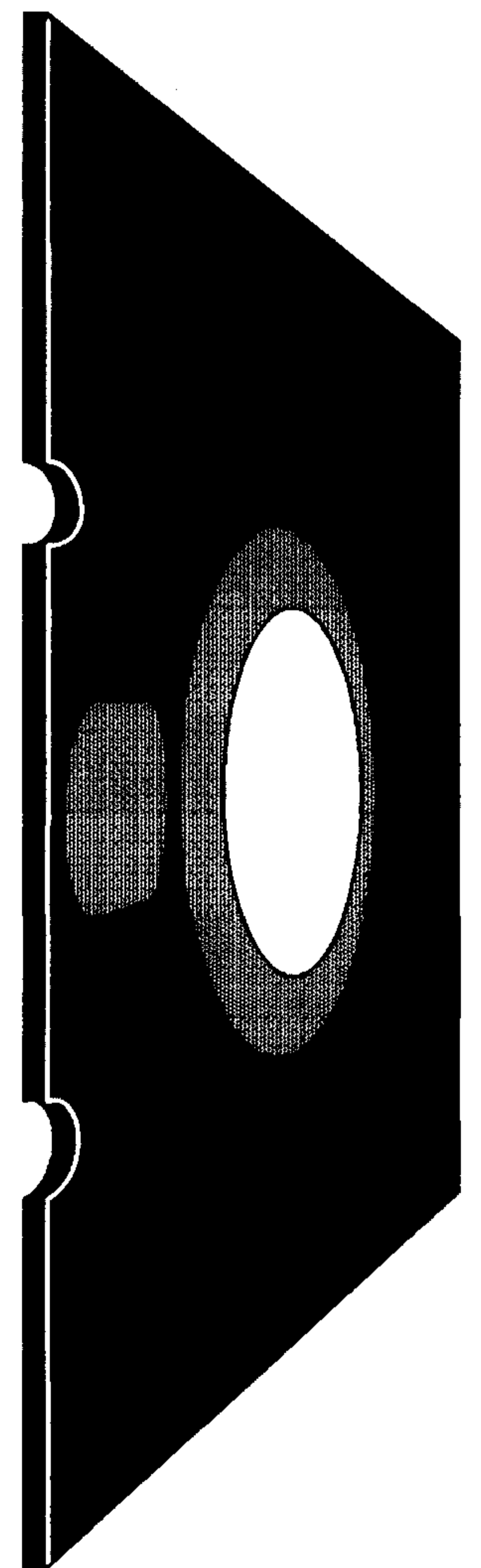
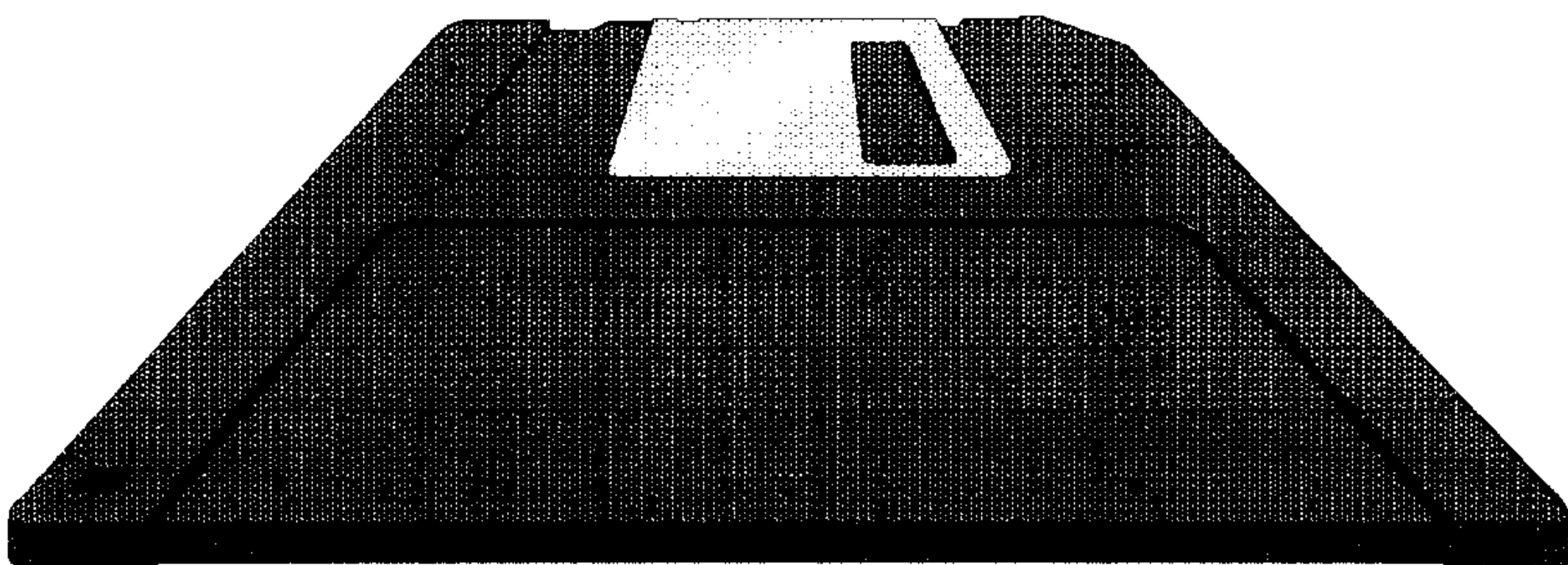
7. An electronic currency transaction software system that pre-limits the potential amount of any purchase(s) by any persons through the internet.
8. An electronic currency transaction software system that is capable of performing any, and all, such buyer/seller transactions, anonymously with no personal or other data required to be supplied by the buyer to the vendor, or any other third party, for credit verification or for any other reasons, to complete the transaction.

Figure 1.

Front View 3.5 Inch Floppy



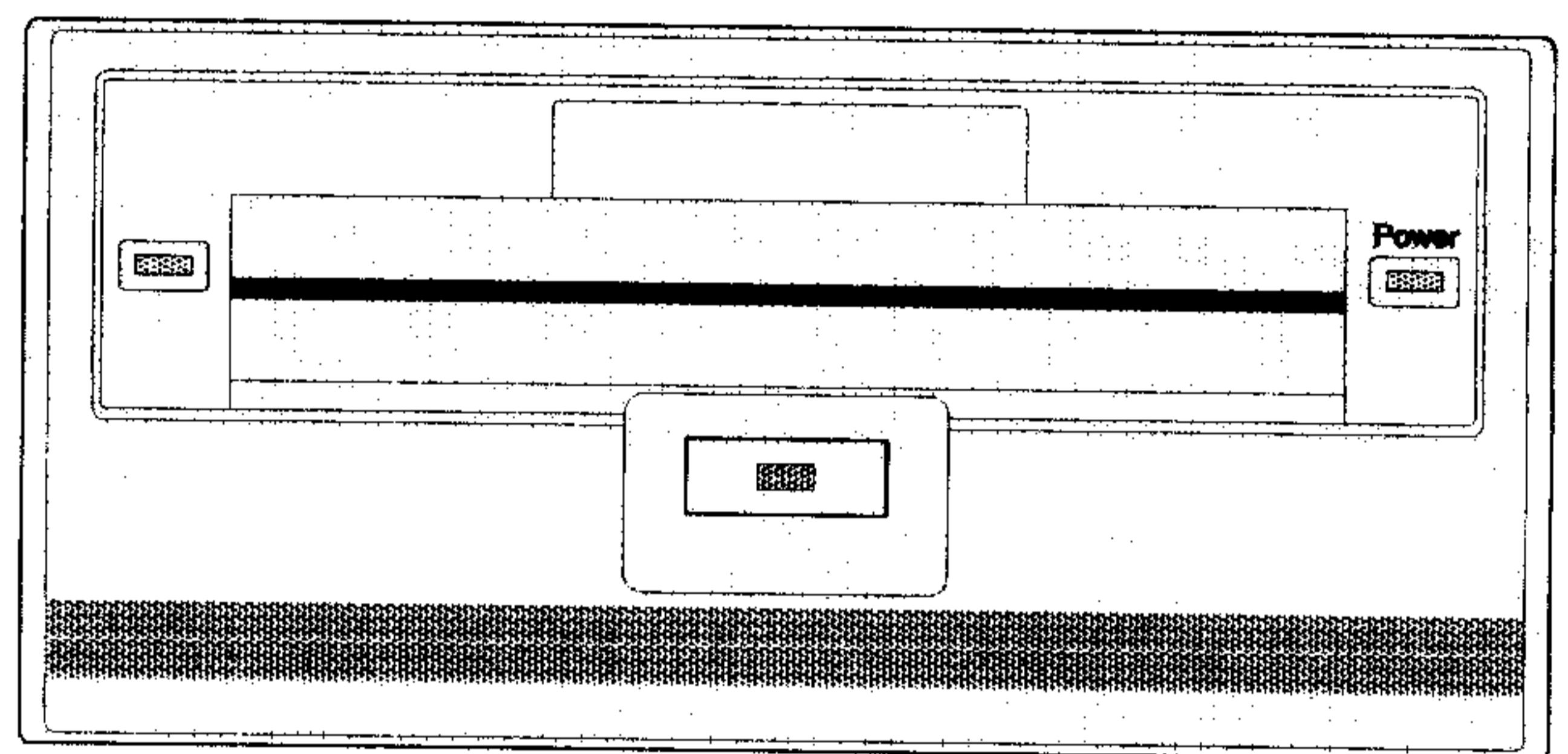
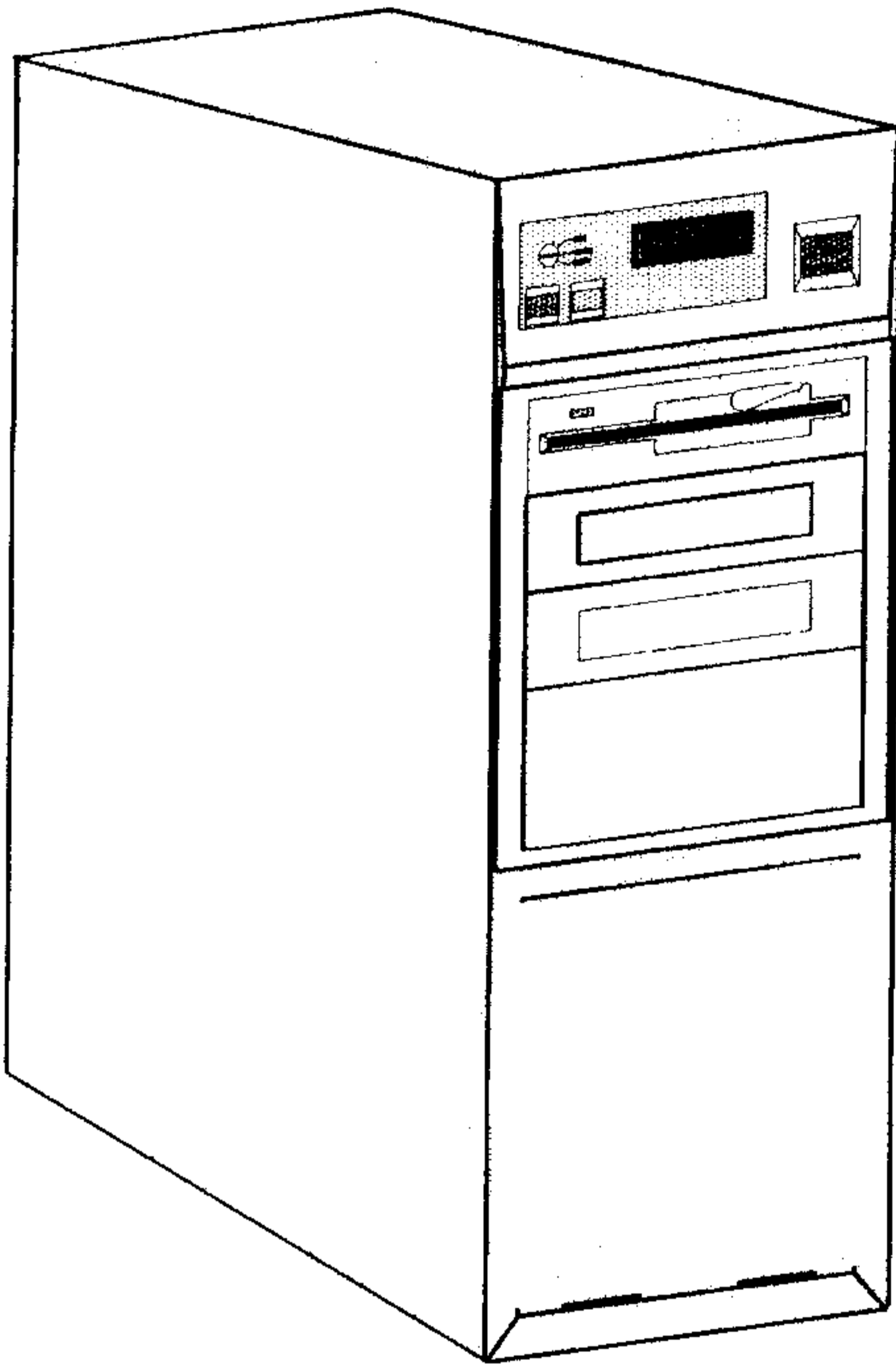
End View



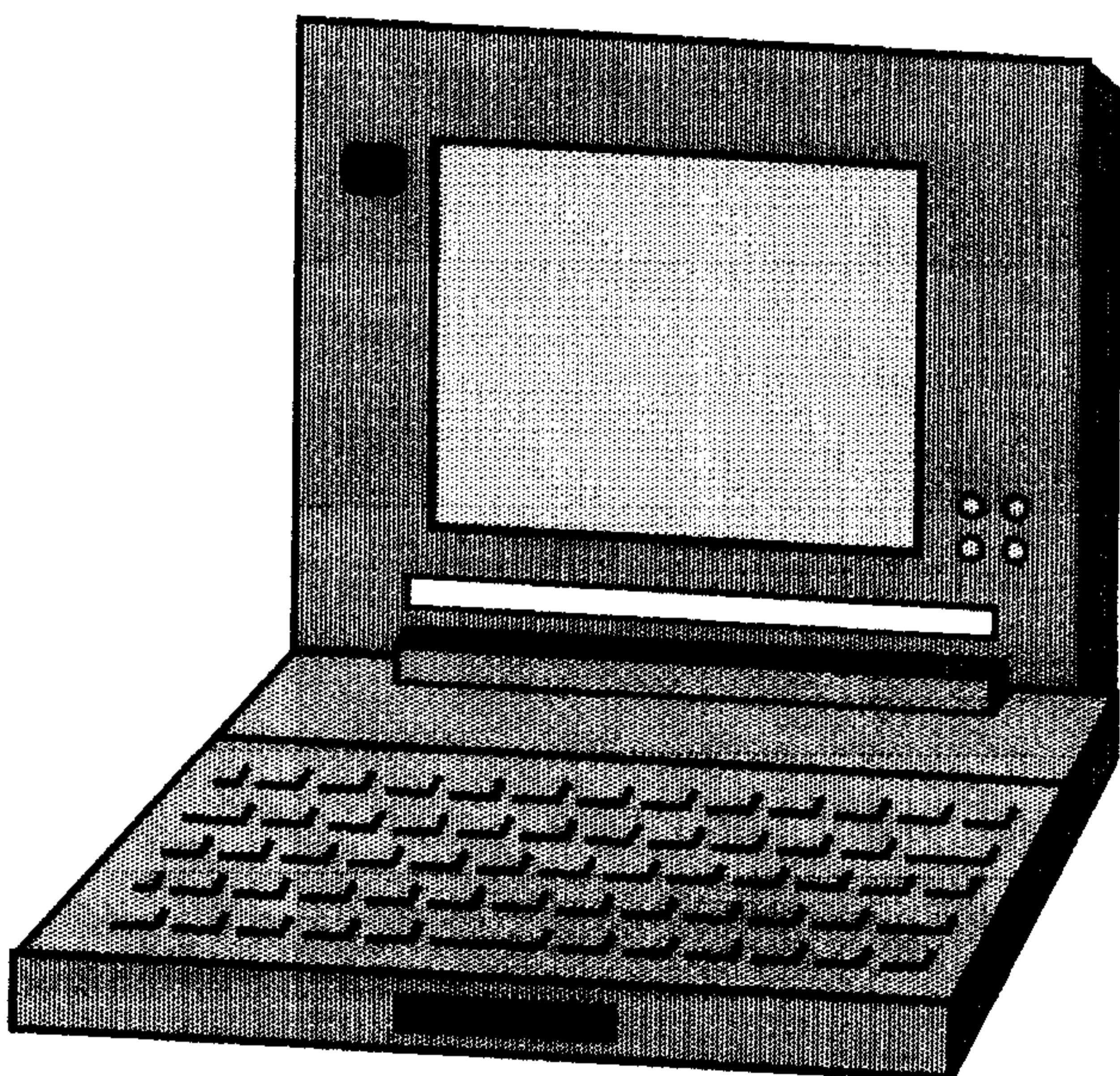
Vertical End View

Figure 2.

CPU unit with 3.5 inch floppy read/write drive and port



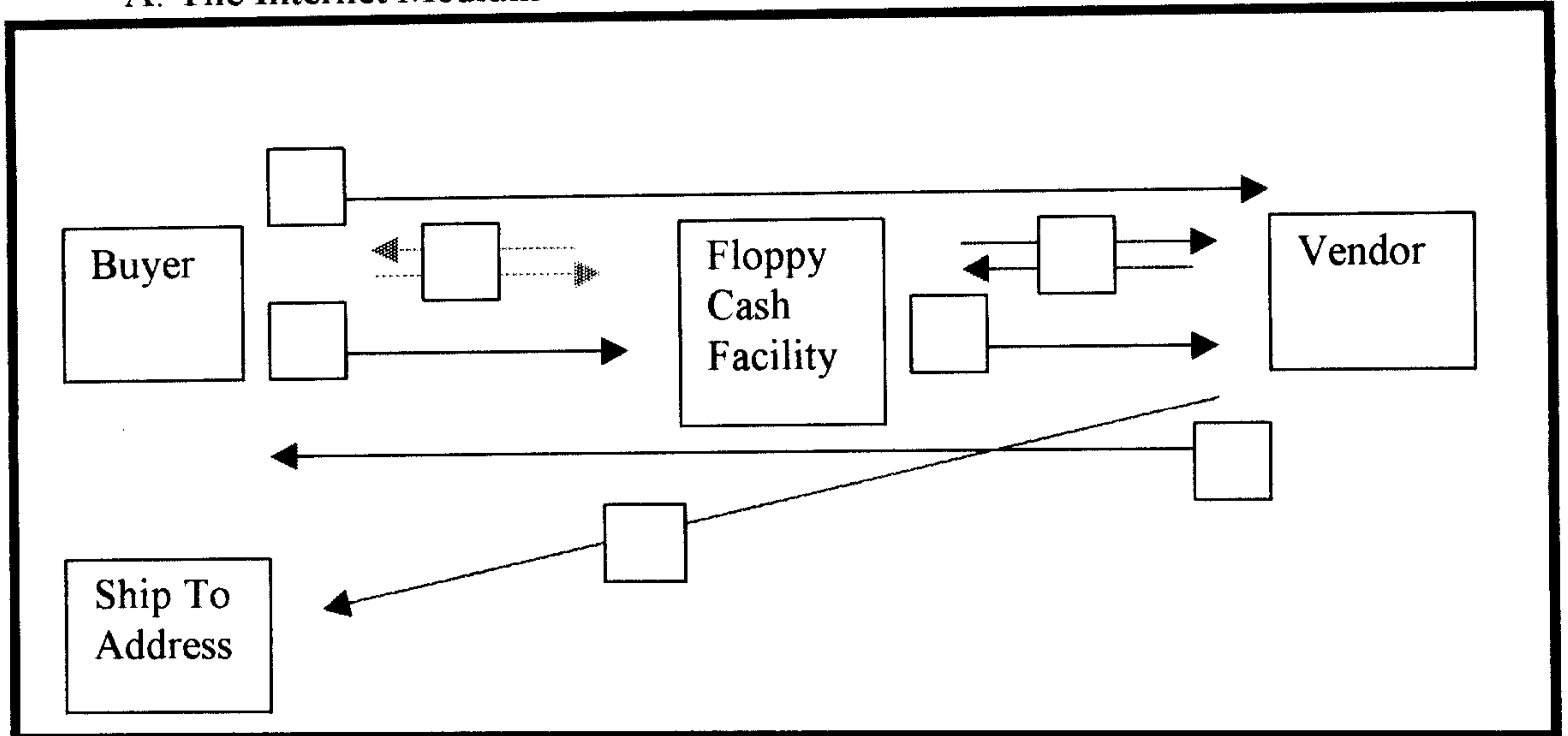
Separate 3.5 inch floppy read/write drive



Portable CPU with 3.5 inch floppy read/write drive

3.

A. The Internet Medium



- A. The Internet Medium through which all three entities connect
- B. The connections between the buyer and the vendor allowing for viewing of the vendors goods/services by the buyer
- C. The separate electronic connection between the buyer, the floppy cash issuer and the vendor for verification of the transaction
- D. The physical shipping of the goods by the vendor to the buyer specified address
- E. The separate electronic connection between the vendor and the floppy cash issuer to allow for the appropriate monetary credit to the vendor for the designated transaction
- F. The connection between the buyer and the floppy cash issuer for the verification of the floppy cash account and the debit of the cash from the buyer and the required adjustment of the floppy cash balance at the buyers computer site by the floppy cash issuer to reflect the appropriate purchase price and the resultant debit of the cash from the existing floppy cash disc