

Cryptocurrency: What it is, how it works, and simple safety tips

Gridinsoft Help Center

What it is

How it works

- Addresses: like email for money; you share these to receive funds.
- Keys: your private key proves you own the coins-lose it, lose access.
- Blockchain: a shared database that confirms, time-stamps, and locks in every transaction.
- Fees & speed: vary by network and congestion (some seconds, some minutes).

Wallet basics

- Custodial wallets (exchanges): easy to start, but a company holds your keys.
- Self-custody wallets: you hold the keys-more control, more responsibility.
- Backups: write down the seed phrase and store it safely, offline.

Risks to know

- Volatility: prices can swing fast.
- Scams & phishing: fake sites, giveaway traps, support impersonators.
- Theft: stealers and clipboard malware target wallets and seed phrases.
- Irreversible: blockchain transfers can't be "charged back."

Stay safe

- Verify URLs; use bookmarks for exchanges/wallets.
- Never type a seed phrase into a website or share it with "support."
- Prefer a hardware wallet for serious amounts.
- Turn on MFA (app or security key) on exchanges; use unique passwords.
- Keep your device and browser updated; avoid cracked software.