

November 26th, 2013

Hello,

I'm Rob Banagale, co-founder and CEO of Gliph. I'm writing to appeal both Apple's rejection of version 1.85 of our iOS application and Apple's request for changes to the existing Gliph app in the App Store.

This letter explains the details of the Gliph app, our understanding of Apple's rejection reasoning and an explanation of our request for reversal of the decision.

What is Gliph?

Gliph makes connecting with a variety of people easier and safer. It lets you communicate securely and choose which personal information to share. It is particularly useful with Craigslist, because you can connect, communicate and close a deal.

Gliph helps people

- securely store and privately share personal data
- securely communicate via text
- privately connect with new people
- easily pay others with Bitcoin

What is Gliph on iOS?

Gliph on iOS is our company's most advanced app on any platform. It was first released in February of 2012 and has been updated 25 times since. It carries a four-and-a-half star rating, with many reviews focusing on the quality of customer service provided by our company.

"Not only is the support team highly responsive and friendly, this app is perfect in UI, usability and simplicity. If you're looking for a great way to communicate securely as well as simplify bitcoin transactions, look no further. Tell everyone about this app!" -lacertae (App Store review)

Two iOS developers work on Gliph. They are James Lawton, a former developer on Apple's own retail store and concierge app and Joakim Fernstad, former lead engineer on Target's iPhone application. Both James and Joakim have either directly implemented or been involved in pushing the boundaries of what experiences are possible with iOS devices.

How is Bitcoin integrated with Gliph on iOS?

On May 2nd, 2013, Gliph for iOS version 1.47 expanded the app's feature set to include Bitcoin wallet integration. Introduced at Bitcoin 2013, (the first Bitcoin conference in the United States), the app allowed attachment of a *Coinbase* Bitcoin wallet to a user's Gliph account.

Once attached, the Gliph app displayed the wallet balance, a past transaction history and offered a new experience for transferring Bitcoin to another party.

Previously, Bitcoin could only be sent using Bitcoin Wallet addresses (long strings of letters and numbers) that needed to be copy-pasted into a form field. We knew this could and should be better, so we made the technology disappear.

The simplicity of the experience in Gliph for iOS is what lets people focus on who and why they are sending Bitcoin. By making Bitcoin a part of a normal texting behavior, Gliph adds context to payments. It makes use of the currency less experimental and more human.

Uniquely, Gliph integrates with multiple Bitcoin wallet providers. The Gliph application allows people to choose the wallet provider they want managing their Bitcoin without needing to know details about the choice of their conversant partner.

Gliph on iOS has been described as the “Swiss Army Knife” of Bitcoin because it the best presentation of and practical implementation of Bitcoin in mobile to date.

The Gliph iOS app *does not* hold any Bitcoin on behalf of a user in the app or server-side. Gliph also *does not* send or receive any Bitcoin. Gliph uses API calls to request that these operations be performed by third-party wallet providers. Gliph also does not charge for the service, or take fees from the facilitation of Bitcoin transfers.

Finally, Gliph does not facilitate or perform the purchase or sale (aka “trading”) of Bitcoin.

Gliph’s App Description and Review Process So Far

The Gliph app for iOS has gone through nine successful App Store submissions since the introduction of its Bitcoin capability. In each version, we transparently described the app’s behavior in the Description, Screenshots and App Update Text as part of submission to iTunes Connect.

Our team has sought not only to follow the example set by Apple in offering a delightful user experience, but also to build a reputation with Apple by being direct and open about what we’re making available to Apple’s customers.

What is new in Gliph 1.85 for Bitcoin?

More brick and mortar point-of-sale and online retailer e-checkouts are accepting Bitcoin each day. And while Gliph has a great user experience for peer-to-peer sending of Bitcoin, it has not allowed sending Bitcoin outside of the network.

Systems like *Bitpay*, (or *Coinbase’s* own merchant services), rely on scanning QR codes and broadcasting on the Bitcoin network a particular payment amount to a particular wallet address.

While QR code scanning apps that send Bitcoin are common on Android, there were none

available on iOS.

We want to support the usage of Bitcoin for the purchase of everyday goods and services using the iPhone. And we believe the everyday use of Bitcoin is important enough to play a role in supporting this in a reasonable way on the Gliph iOS app.

Rejection Criteria for 1.85

The official criteria as stated in call ticket CT62771 was that Gliph is out of compliance with App Store Review Guideline 22.1:

Apps must comply with all legal requirements in any location where they are made available to users. It is the developer's obligation to understand and conform to all local laws

During my call with the App Store review board representative, I asked for clarification of the location or locations that Gliph's use of Bitcoin transfer does not comply with law. Their response was that such determinations were the proprietary business information of Apple.

My feedback was that our company would prepare a legal brief that demonstrated our understanding and compliance with local law in all regions selected for distribution of the app. However, it would be challenging to offer a compelling case without knowing which region or regions to focus on to demonstrate legal compliance.

The review board representative's feedback on this was to say that the App Store is a curated marketplace, and that regardless of legal finding it remains Apple's sole decision as to which apps and what functionality in those apps are allowed for distribution in the App Store.

During the call, the representative requested a new version of the currently available Gliph for iOS (version 1.8) be rebuilt and re-submitted without the ability to "trade" Bitcoin. The representative also said that a number of App Store rules had changed this year, in part due to developer feedback and that this appeal process was available as an avenue to provide such feedback.

Appeal

Our company wishes to appeal both the rejection of 1.85 and the request for replacement of version 1.80 in the iOS App Store. We respectfully request that version 1.85 be approved and our past version of the Gliph iOS app remain unchanged.

Our appeal covers two objections: that the app is in violation of App Store Review Guidelines section 22.1 and the broader desire by Apple to dampen Gliph's presentation of the Bitcoin experience.

Gliph is not in violation of Section 22.1

The existing Gliph iOS app is not in violation of any local laws because it neither sends nor receives Bitcoin.

At a technical level, Gliph does not send or receive Bitcoin. All Bitcoin transmission is done at the express consent of the user and its actual transfer is performed by a Bitcoin wallet provider, *not* Gliph. Responsibility for compliance with regard to money transmission rests with the wallet provider who is actually processing the transaction.

The existing Gliph iOS app does not “trade” Bitcoin.

A subtle but important point is that neither directly, nor by facilitation through a 3rd party, does the Gliph app trade Bitcoin for US Dollars or any other currency.

There are no laws or regulations around the movement of Bitcoin from one address to another. Assuming Gliph were to be held responsible for complying with regulation related to Bitcoin, no features in Gliph would fall under suggested or enforceable regulation. While the “trade” or exchange of Bitcoin falls under a variety of regulatory considerations, there are no domestic or international laws forbidding the movement of Bitcoin from one wallet address to another.

The newly submitted Gliph iOS app does not add functionality that violates local laws.

The new version of Gliph allows the scanning of a QR code that contains a Bitcoin wallet address. This address is set as the designated receiver of Bitcoin and handed to the wallet provider via an API call. Neither the holding of, sending nor reception of Bitcoin or receiver's wallets are hosted by Gliph.

Gliph’s facilitation of the sending of Bitcoin should be upheld

Stopping Bitcoin payments on iOS will push virtual currency software innovation to other platforms.

Apple provides the best mobile experiences, and offering a place to build and learn on iOS will help ensure the platform remains the first stop for mobile innovation.

By inhibiting the creation of Bitcoin apps Apple holds innovation back from the world.

We are witnessing the dawn of a massive technological innovation. The potential impact of virtual currencies stretches further than any company or platform.

Apple is influential and each day it waits to allow Bitcoin use as a mobile experience on iOS the world is worse off.

Recommendations for Informal or Formal App Store Guidelines for Bitcoin

1. Allow apps that facilitate or directly move Bitcoin from one wallet address to another.
2. Do not allow apps that “trade” or exchange fiat currency for Bitcoin.
3. Allow apps that read Bitcoin addresses by scanning QR codes.

Conclusion

A conversation Tim Cook had at Duke this year was inspirational to me on a variety of levels. One particular quote of his that affected me was this: *“I think you should rarely follow the rules. I think you should write the rules.”*

We recognize that your priority with the App Store is to offer an experience that delights Apple’s customers. We believe that Gliph’s Bitcoin capability is a leading edge of that delightful experience. We hope you’ll reconsider the rejection of Gliph 1.85 and relax your sentiment toward Bitcoin and its use in apps in the App Store.

The very best mobile experiences are yet to come, and the only way to get there will be to take risks in what we build and expose people to. I am asking for your help in pushing the envelope and helping us, as a society, move the world forward.

Kind Regards,

Rob Banagale
CEO, Co-founder, Gliph, Inc.