SNIDER & SONS CONSULTING GROUP

The Crypto Starter Guide

Bitcoin · DeFi · Blockchain · Web3

Everything you need to know to get started with confidence — from someone who's been in the game since 2017.

What's Inside

- What is Bitcoin and why does it matter
- What is blockchain technology and how it works
- Types of crypto — Bitcoin, Ethereum, altcoins, stablecoins
- How to buy crypto safely — exchanges and wallets explained
- What is DeFi — Decentralized Finance
- Key terms every crypto investor needs to know
- The golden rules of crypto investing
- Trusted resources and tools to use every day

This guide is for informational purposes only and does not constitute financial or investment advice. Always do your own research before investing.

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01 — What is Bitcoin?

Bitcoin (BTC) is the world's first decentralized digital currency. Created in 2009 by the anonymous Satoshi Nakamoto, it allows people to send money directly to each other — anywhere in the world — without a bank, government, or middleman.

Bitcoin runs on a technology called blockchain — a public ledger that records every transaction ever made. No single person or company controls it. Instead, thousands of computers around the world maintain and verify the network simultaneously.

Why Was Bitcoin Created?

Bitcoin was born out of the 2008 financial crisis. Banks failed, governments bailed them out with taxpayer money, and trust in the financial system collapsed. Satoshi Nakamoto created Bitcoin as an alternative — money that required zero trust in banks or governments, enforced by mathematics instead.

Key Bitcoin Facts

- Maximum supply: 21 million BTC — fixed forever, no one can create more
- Divisible: 1 BTC = 100,000,000 satoshis (sats) — you can buy a fraction
- Decentralized: No CEO, no headquarters, no kill switch
- Transparent: Every transaction is publicly visible on the blockchain
- Immutable: Once confirmed, transactions cannot be reversed
- Borderless: Works the same in Ohio as it does in Tokyo

Brad's Take

I've been in crypto since 2017 and Bitcoin remains the foundation of everything. It's the most battle-tested, most secure, and most widely adopted cryptocurrency in existence. Think of it as digital gold — a store of value for the modern age.

02 — What is Blockchain?

A blockchain is a shared, distributed database — or ledger — that records transactions across thousands of computers simultaneously. Think of it like a Google Doc that everyone can read, no one can secretly edit, and that exists on millions of computers at once.

How It Works

- Transactions are grouped into blocks
- Each block contains a cryptographic fingerprint (hash) of the previous block
- This creates an unbreakable chain — change one record and the whole chain breaks
- Thousands of computers (nodes) verify each block independently
- Once added, data on the blockchain is permanent and tamper-proof

Key Properties

- Decentralized: No single point of control or failure
- Immutable: Records cannot be altered once written
- Transparent: Anyone can audit the full transaction history
- Trustless: No need to trust any single party — the math enforces the rules

Beyond Bitcoin

Blockchain technology powers far more than just Bitcoin. Ethereum uses blockchain to run smart contracts — self-executing code that powers DeFi, NFTs, and decentralized applications. Solana, Avalanche, and other networks are building even faster and cheaper blockchains for the next generation of finance.

03 — Types of Cryptocurrency

Bitcoin (BTC)

The original. Digital gold. Store of value and global settlement layer. The most secure and most widely adopted.

Ethereum (ETH)

Programmable blockchain. Powers smart contracts, DeFi protocols, NFTs, and decentralized apps. The backbone of Web3.

Altcoins

Any cryptocurrency other than Bitcoin. Examples: Solana (SOL), Avalanche (AVAX), Cardano (ADA). Higher risk, higher potential reward.

Stablecoins

Cryptocurrencies pegged to a stable asset like the US dollar. Examples: USDC, USDT. Used for trading, saving, and DeFi yield.

DeFi Tokens

Tokens that power decentralized finance protocols — lending, borrowing, trading, and yield farming without banks.

Memecoins

Coins driven by social media hype rather than fundamentals. Examples: DOGE, SHIB. Extremely high risk — treat like lottery tickets.

Brad's Take

> **Start with Bitcoin. Understand it deeply before moving to anything else. When you're ready to explore further, Ethereum is the natural next step. Avoid memecoins until you fully understand what you're doing — they are gambling, not investing.**

04 — How to Buy Crypto Safely

Step 1 — Choose a Reputable Exchange

An exchange is a platform where you buy and sell crypto. Stick to well-established, regulated exchanges:

- Coinbase — Best for beginners, US-based, FDIC insured for USD
- Kraken — Strong security, good for intermediate users
- Gemini — Regulated, NY-based, strong compliance record

Step 2 — Secure Your Account

- Enable two-factor authentication (2FA) — use an app like Google Authenticator, not SMS
- Use a strong, unique password — never reuse passwords
- Never share your login credentials with anyone
- Be aware of phishing emails pretending to be your exchange

Step 3 — Understand Wallets

When you buy crypto on an exchange, the exchange holds it for you. For larger amounts, you should move your crypto to a personal wallet where you control the private keys.

- Hot Wallet: Software wallet connected to the internet (e.g. MetaMask, Trust Wallet) — convenient but less secure
- Cold Wallet: Hardware device not connected to the internet (e.g. Ledger, Trezor) — most secure option for larger holdings

The Golden Rule

Not your keys, not your coins. If you don't control your private keys, you don't truly own your crypto. Keep large holdings in a hardware wallet.

05 — What is DeFi?

DeFi stands for Decentralized Finance — a global, open financial system built on blockchain technology that operates without banks, brokers, or any central authority. Using smart contracts, DeFi recreates financial services like lending, borrowing, trading, and earning yield — available to anyone with an internet connection.

Key DeFi Concepts

- Smart Contracts: Self-executing code on the blockchain. When conditions are met, the contract executes automatically — no human, no bank, no delay.
- DEX (Decentralized Exchange): Trade crypto directly from your wallet without giving custody to a centralized platform. Examples: Uniswap, Curve.
- Lending & Borrowing: Deposit crypto as collateral and borrow against it, or earn yield by lending. Examples: Aave, Compound.
- Yield Farming: Put your crypto to work earning interest or rewards in DeFi protocols. Higher yields than traditional finance — but higher risk too.
- Liquidity Pools: Provide crypto to a trading pool and earn a share of the trading fees.

Why DeFi Matters

DeFi removes the middleman entirely. No bank can freeze your funds. No institution can deny you access. The rules are written in code and apply equally to everyone. For the 1.4 billion unbanked adults worldwide, DeFi represents access to financial services for the first time.

Brad's Take

DeFi is where I spend most of my time and attention. It's the future of finance — and it's happening right now. Start by understanding the basics before putting any money in. The yields are real but so are the risks. Do your research.

06 — Key Terms Glossary

Blockchain: A distributed, immutable ledger that records all transactions across a network of computers.

Wallet: Software or hardware that stores your private keys and allows you to send and receive crypto.

Private Key: A secret code that proves ownership of your crypto. Never share this with anyone — ever.

Public Key: Your crypto address — like an email address. Safe to share so others can send you crypto.

Seed Phrase: A 12 or 24-word backup phrase for your wallet. Store offline, never digitally. Losing this = losing your crypto.

HODL: Hold On for Dear Life — crypto slang for holding your investment long-term instead of selling.

FOMO: Fear Of Missing Out — the dangerous emotion that drives people to buy at market peaks.

FUD: Fear, Uncertainty, and Doubt — negative information (sometimes false) that causes panic selling.

Gas Fees: Transaction fees paid to the blockchain network to process your transaction.

Smart Contract: Self-executing code on the blockchain that automatically enforces agreement terms.

DeFi: Decentralized Finance — financial services built on blockchain without traditional intermediaries.

NFT: Non-Fungible Token — a unique digital asset verified on the blockchain.

Altcoin: Any cryptocurrency other than Bitcoin.

Stablecoin: A cryptocurrency pegged to a stable asset like the US dollar (e.g. USDC, USDT).

Market Cap: Total value of a cryptocurrency — calculated by price x circulating supply.

Bull Market: A period of rising prices and optimistic sentiment.

Bear Market: A period of falling prices and pessimistic sentiment.

TVL: Total Value Locked — the amount of crypto deposited in a DeFi protocol.

APY: Annual Percentage Yield — the yearly return on a DeFi investment including compounding.

Rug Pull: A scam where developers abandon a project and run off with investor funds.

07 — The Golden Rules of Crypto Investing

1. Never invest more than you can afford to lose.

Crypto is volatile. Only invest money you are fully prepared to lose entirely.

2. Not your keys, not your coins.

If you don't control your private keys, you don't truly own your crypto. Use a hardware wallet for large holdings.

3. Do your own research (DYOR).

Never invest based on hype, tips from strangers, or social media influencers. Understand what you're buying.

4. Dollar cost average (DCA).

Instead of trying to time the market, invest a fixed amount regularly. This reduces the impact of volatility.

5. Diversify wisely.

Don't put everything in one coin — but don't spread so thin you can't track what you own.

6. Ignore the noise.

Crypto has 24/7 news cycles designed to trigger emotions. Zoom out. Think long term.

7. Secure your accounts.

Use 2FA, strong unique passwords, and never click suspicious links or share your seed phrase.

8. If it sounds too good to be true, it is.

Guaranteed returns, 1000x promises, and anonymous teams are red flags. Walk away.

9. Taxes are real.

In the US, crypto is taxed as property. Keep records of every transaction. Consult a CPA.

10. Patience compounds.

The biggest gains in crypto go to those who buy with conviction and hold through the volatility.

08 — Trusted Resources & Tools

- **CoinMarketCap (coinmarketcap.com):** Track live prices, market cap, volume, and news for every cryptocurrency.
- **CoinGecko (coingecko.com):** Alternative to CMC, excellent for DeFi token data and protocol metrics.
- **Etherscan (etherscan.io):** Explore the Ethereum blockchain — track transactions, wallets, and smart contracts.
- **DefiLlama (defillama.com):** Track TVL and yield opportunities across all DeFi protocols — completely free.
- **Glassnode (glassnode.com):** On-chain analytics and Bitcoin market data. Free tier available.
- **The Snider Report (sniderandsons.com):** Weekly crypto newsletter covering the most important news, ETF flows, market updates, and DeFi opportunities — free every Friday.

Ready to go deeper? Book a free 30-minute discovery call.

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