

their custodians hold the keys. It may be that none of the available ETFs would satisfy a robust due diligence, and that there is a golden opportunity for someone to create an ETF that would exclusively be used for the purpose of hedging bitcoin exposure. This ETF would optimize for two things: 1) delivering the price exposure as closely as possible, and 2) reducing custodial risk to an absolute minimum and providing complete transparency and ongoing proof of digital signatures. Bitcoin is still very young, and the industry is even younger. I'm sure more institutional solutions will be developed and deployed to facilitate these objectives and make it much less risky for companies to trust ETF providers and their custodians.

It should be clear that holding a bitcoin treasury and using it in lieu of the ETFs is a superior strategy that eliminates the counterparty credit risk entirely. It removes all of the risk that anyone other than the company that is involved in the chain of custody of the actual bitcoin backing the strategy will cause a failure that leads to a complete loss of value. Having said that, a bitcoin treasury is not being held at any of the large companies that offer Deferred Compensation programs, so I would recommend using the ETFs as the first phase to get the program started and then have the goal of eventually using a bitcoin treasury to back the program.

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MUTUAL FUNDS / ETFs - WIELDING THE BLADE

USING bitcoin in funds is the most obvious and non-thinking way for a fund, their investors, and their investors' shareholders to sleepwalk their way to unimaginable wealth. Okay, maybe it's not that obvious, unless you actually look at bitcoin's 16-year return history. Despite being declared dead many times by the mainstream media, despite being declared useless by the world's most respected economists, and being declared only useful to money launderers by Larry Fink, bitcoin closed the year of 2024 just days away from hitting an all-time high of \$123K per bitcoin. It is no wonder that the ordinary plebs who outperformed every hedge fund, mutual fund, special purpose fund, etc., are so flummoxed at how poorly the experts approach their jobs. Honestly, if you are a mutual fund manager reading this book and your company still isn't offering bitcoin, you must wonder what they're doing. What are all of those employees actually doing all day? There are tens, maybe hundreds of thousands of ordinary people, most of whom would never pass the hiring process of any of these investment companies,