

Bitcoin for Veterans

A Short Guide to a New Asset Class, Bought the Boring Way

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Before You Start

This is a short book on purpose, like the others I have written.

It will take you about twenty minutes to read. In that time I am going to explain what Bitcoin is in plain words, why the biggest financial firms in America now tell their clients to own some of it, how much they say to own, and the three ways to buy it without ever touching a strange website or trusting a stranger.

I am not a financial advisor, and this book is education, not personal advice. Bitcoin is volatile in a way stocks are not, and I will not hide that anywhere in these pages. What I can give you is the framework my family uses, the same boring, percentage-based, automatic approach I wrote about in Investing for Veterans, applied to the newest asset class most of us will ever see in our lifetimes.

One more thing before we begin. I own Bitcoin. I have owned it for years, in an ETF and in actual coins, and it makes up roughly a tenth of my own portfolio. You deserve to know where the author stands. I am not selling you anything. This book is free, like all my books, because the point is to hand you something useful, the way I wish someone had handed it to me.

Introduction: A New Asset Class in Your Lifetime



Most asset classes were born long before us. Stocks are centuries old. Bonds are older. Real estate is as old as land. Gold is older than all of them. Nobody alive watched any of them begin.

Bitcoin is different. It showed up in 2009, in the wreckage of the financial crisis, as an experiment most serious people laughed at. For a decade the smart money called it a fad, a bubble, or a scam. Then, one by one, the largest financial institutions on earth stopped laughing and started publishing research on how much of it their clients should own. In January 2024 the government approved Bitcoin funds that trade like stocks. In 2026, Charles Schwab began letting its clients buy actual Bitcoin and Ethereum directly, in the same place they keep their retirement accounts.

Read that again. The question at the big firms is no longer whether Bitcoin belongs in a portfolio. The question is how much. When BlackRock, Fidelity, Morgan Stanley, Bank of America, and Schwab all publish numbers, an asset class has arrived, whatever anyone thinks of it.

You do not have to love it. You do not have to believe it will change the world. You only have to decide whether zero is the right amount for your family, because that is a decision too, and it is the one decision the research increasingly argues against.

This book will not ask you to bet big. It will ask you to consider a small, sized, boring position, bought the way you were trained to save in the first place: automatically, by percentage, over time.

Chapter 1: What Bitcoin Is, in Plain Words



Strip away the noise and Bitcoin is simple.

It is a form of money that lives on a network of computers instead of inside a bank. There is no company behind it, no CEO, no headquarters, and no one who can print more of it. The supply is capped at 21 million coins, forever, written into the code that thousands of independent computers enforce. About 20 million exist today. The rest will be created slowly, on a schedule that cuts in half every four years, until the last fraction arrives sometime around the year 2140.

When you own Bitcoin, you own a slice of that fixed supply. Nobody can dilute it. A government cannot devalue it by printing more, which is more than can be said for any currency in your wallet. The dollar has lost purchasing power every decade of your life, quietly, by design. Bitcoin was designed to do the opposite: same rules, same supply, no matter who asks.

It moves like this. A network of computers around the world keeps one shared ledger of who owns what. Every ten minutes or so, new transactions are added to that ledger

in a block, verified by the network itself rather than by any bank. Once recorded, an entry cannot be quietly changed. That is the whole trick, and it is a real one: for the first time in history, something digital can be scarce and can change hands anywhere on earth without asking a middleman for permission.

What it is not: it is not a stock, because there is no company and no earnings. It is not a bond, because it pays no interest. It behaves most like a digital form of gold, a scarce asset people hold because other people agree it is valuable and because its supply cannot be inflated away. Gold has played that role for five thousand years with a supply that grows a little every year. Bitcoin plays it with a supply that stops growing at all.

That scarcity, plus a growing number of people and institutions who want some, is the entire investment case. Everything else in this book is about sizing, timing, and not doing something foolish.

Chapter 2: Why a Veteran Should Care



You might wonder what any of this has to do with you. Three things.

First, your income is exactly the kind Bitcoin was built to protect. A military retirement check and a VA disability check are promises paid in dollars, adjusted once a year if you are lucky, while the cost of everything you buy climbs on its own schedule. You cannot negotiate a raise. You cannot ask the VA to match real inflation. A small position in an asset that no one can print is a hedge bought by the people who can least afford to watch their fixed income melt.

Second, veterans get lump sums, and lump sums attract vultures. Back pay arrives. A disability rating settles. An inheritance lands. That is the moment the pitches come: the seminar, the cousin with a coin tip, the polished stranger online who guarantees returns. I wrote this book partly so that when that moment comes, you already have a calm, sized plan instead of an empty chair where a plan should be. The man with a plan does not need the pitch.

Third, you already understand the discipline this takes. You saved in the TSP by percentage, automatically, in good markets and bad, without watching it daily. Bitcoin bought any other way, by excitement, by fear, by tips, is a casino. Bitcoin bought the TSP way, a fixed percentage on a schedule inside a balanced portfolio, is an allocation. The asset is wild. The method does not have to be.

There is also a quieter reason, and I will just say it plainly. Many of us served a country whose money was the strongest on earth, and we have watched that strength get spent, borrowed, and printed for twenty years. Owning a little of an asset that answers to no government is not a protest. It is diversification, across the one line nobody thinks about: the line between money a government controls and money it does not.

Chapter 3: Why Now: The Machines Are Coming



Here is the part of this story most people have not heard yet, and it is the reason I think the timing matters.

The next wave of spending on earth will not be done by people. It will be done by software. Artificial intelligence agents, programs that book travel, buy supplies, negotiate services, and manage tasks for the humans and companies that deploy them, are beginning to transact with each other constantly, in amounts too small and too fast for the banking system to handle. An agent cannot walk into a bank. It cannot fill out an application, wait three business days for a transfer to settle, or pay a three percent card fee on a transaction worth four cents. Machine commerce needs money that is digital from birth, settles in minutes, works at three in the morning, and crosses borders without permission slips.

That money exists. It is the crypto payment networks, the rails, and the stablecoins that run on them. One of the clearest voices making this argument is Jordi Visser, a veteran hedge fund manager whose research at 22V Research I follow closely. Visser's

thesis, in plain words, is that AI agents will transact on crypto rails at a scale that dwarfs human commerce, because the traditional financial system was built for people and simply cannot serve machines. I find his case persuasive, and my family's money is positioned for it on both sides: in the networks the machines will pay each other over, and in Bitcoin itself.

Why Bitcoin, if the agents will mostly pay in stablecoins? Because every economy needs a savings asset underneath its spending money, an asset that is nobody's liability and nobody's promise. Companies hold reserves. Countries hold gold. The machine economy's hardest, scarcest, most neutral asset is Bitcoin. As agent commerce grows, the demand for the asset at the center of that system grows with it, while the supply stays capped at 21 million. More demand, fixed supply. That is the whole argument, and it does not require Bitcoin to replace the dollar or win some final victory. It only requires the machine economy to be real, and to keep growing.

I want to be honest about what this is. It is a thesis, not a fact. Visser could be early, or wrong about the size of it. That is exactly why this book sizes Bitcoin the way it does, a few percent of a portfolio. If the thesis fails, a small position is a tuition payment. If it succeeds, a small position bought before the machines arrived in force will not feel small anymore.

The time to take a position in a trend is before it is obvious to everyone. By the time your bank is advertising agent commerce on television, the early price is gone. We are, as I write this, in the window where the machines are coming but have not yet arrived. That window is the opportunity, and windows close.

Chapter 4: How Much? What the Big Houses Say



Do not take my word for the sizing. Take theirs. In the last two years, the research departments of the largest financial firms in America have published actual numbers. Here they are, checked as of late 2026.

Firm	Published guidance
BlackRock	1 to 2 percent of a diversified portfolio
Fidelity	2 to 5 percent for long term investors, up to 7.5 percent for younger investors
Morgan Stanley	0 percent for preservation and income portfolios, 2 percent balanced growth, 3 percent market growth, 4 percent opportunistic growth
Bank of America and Merrill	1 to 4 percent, which its roughly 15,000 advisors may now recommend directly

Charles Schwab	No single number. Its frameworks land from about 1 percent to about 9 percent depending on the investor, centered in the low single digits
Bitwise and Grayscale research	Risk adjusted returns historically peaked around 3 to 5 percent
ARK Invest	Look back math put the historical optimum near 5 percent on average, and as high as 19.4 percent for 2023 alone
Ric Edelman	10 percent conservative, 25 percent moderate, 40 percent aggressive

A few notes so you read that table like an adult.

BlackRock, which runs the largest Bitcoin fund, says 1 to 2 percent, and its math explains the caution: at 2 percent, Bitcoin contributes about as much risk to a portfolio as owning one big technology stock. Past 2 percent, its share of your risk climbs fast. Fidelity's research found something worth remembering: in its modeling, even a 2 percent allocation improved retirement outcomes meaningfully, while the worst case, Bitcoin going to zero, cost the plan less than 1 percent of annual income. That is the shape of this bet. Small size, capped damage, open ended upside.

Schwab deserves a careful read, because Schwab is where many of us keep our accounts. Its April 2026 research paper, by analyst Jim Ferraioli at the Schwab Center for Financial Research, refused to name one correct number and instead published two frameworks, one based on expected returns and one based on how much of your total risk you are willing to let Bitcoin be. Between them, the answers run from about 1 percent for a conservative investor to roughly 7 to 9 percent for an aggressive one, with most people landing in the low single digits. Schwab also warns, in plain print, that Bitcoin has swung about 72 percent a year and has fallen more than 70 percent peak to trough in its life. Both things are true: Schwab sells Bitcoin now, and Schwab tells you it is a wild ride. Believe both.

At the far end sits Ric Edelman, who founded one of the largest advisory firms in the country. In his 2021 book he recommended 1 percent. By 2025 he was arguing for 10 percent for conservative investors and up to 40 percent for aggressive ones, on the grounds that people live longer than the old 60/40 portfolio was designed for. He is the outlier in the table, and I am not asking you to follow him. I am asking you to notice that the argument on Wall Street is no longer zero versus something. It is 2 versus 40.

And one holdout, for honesty's sake: Vanguard still publishes no recommended allocation at all, though it now lets clients buy Bitcoin funds on its platform. Reasonable people still say no. If you end at zero after reading all this, do it on purpose, not by default.

My own synthesis, for whatever it is worth: for most veterans and most families, 2 to 5 percent is the sane starting band. It is big enough to matter if the thesis is right, and small enough that a total loss, which you should treat as possible, does not change your life. My own family's allocation runs higher, around a tenth, because we have held it longer, we rebalance by rule, and we can absorb the swings. Your number is the one that lets you sleep. There is a test for it in Chapter 7.

Chapter 5: Three Ways to Own It



You do not need a crypto exchange account, and you do not need to learn a new industry to buy Bitcoin. There are three doors in. For most readers, the first two are enough.

Door one: the Bitcoin ETF, inside the brokerage account you already have. Funds like BlackRock's IBIT and Fidelity's FBTC hold actual Bitcoin and trade like a stock, under a ticker, in your regular brokerage or IRA account. You buy in dollars, in fractional shares, the same way you buy an index fund. There are no passwords to a separate world, no keys to lose, and the shares pass to your beneficiaries like any other security. The fund charges a small annual fee, roughly a quarter of a percent at the big issuers, for doing the custody work. Inside an IRA, this is usually the cleanest door of all, which is why my own Roth accounts hold IBIT.

Door two: actual Bitcoin, bought at a major broker. This is the new part, and it matters. Charles Schwab opened direct Bitcoin trading in 2026 through its Schwab Crypto account, and by the fall of 2026 Schwab said all eligible clients could use it. You

buy real Bitcoin, not a fund, at 0.75 percent per trade, and Schwab's bank holds the coins with a regulated custodian, Paxos, doing the work behind the scenes. Fidelity has offered direct Bitcoin buying through Fidelity Crypto for years, and Morgan Stanley's E*Trade has added it as well. Understand what this door is and is not. It is real Bitcoin, priced around the clock. It is not yet fully portable: transfers of coins in and out are rolling out in phases, and the coins are not covered by FDIC or SIPC insurance, because they are not deposits or securities. For a long term holder who trusts the institution and wants the asset itself, in the house where he already keeps everything else, this door is a genuine advance.

Door three: your own wallet, your own keys. This is Bitcoin in its original form, held by you alone, answerable to no institution. It is also the door where mistakes are permanent. Lose the recovery phrase and the money is gone, with no one to call. I hold some this way myself, and I still tell most readers to start with doors one and two, and to treat door three as a later step, taken slowly, with small amounts, only after the first two feel routine.

What never to do: never buy through a link a stranger sent you, never through an app someone online told you to download, and never move money at the instruction of a person who contacted you first. Every horror story in Chapter 9 starts with one of those three moves. The doors above all live inside institutions you can call on the phone.

Chapter 6: The Boring Way In



However you buy it, buy it the way you were trained to save.

Pick your percentage first, on paper, while you are calm. Two percent. Five percent. Whatever passed the sleep test. Write it down. That number, not the news, runs the account from here on.

Then automate. On payday, the same day your other investing happens, buy your percentage's worth, in dollars, through door one or door two. If your broker will not schedule it for you, make it a standing five minute appointment with yourself, the way I describe in Investing for Veterans. Small buys, on schedule, in good headlines and bad. Some months you will buy high and feel foolish. Some months you will buy low and feel clever. Over years, the schedule beats the feelings, because the schedule shows up every time and the feelings only show up when they are loudest.

Once a year, rebalance. This is the part that quietly does the magic. If Bitcoin ran hard and your 5 percent became 9 percent, sell the excess back to 5 and put the proceeds into the rest of your portfolio. You have just sold high, on a rule, without a prediction.

If Bitcoin fell and your 5 percent became 2 percent, your regular buys and your annual review refill it toward 5, buying low, on the same rule. The percentage is a governor on the engine. It makes you do the two things human beings will not do on their own: take profits from a winning position, and add to a losing one that still fits the plan.

Two boundaries make this work. First, only new money and rebalancing go in. Never fund the Bitcoin position by raiding the emergency fund, and never with borrowed money. Second, the position lives inside the whole portfolio, next to your index funds and your cash, not in a separate mental account you check at midnight. In Investing for Veterans, the full model portfolio carries 10 percent in IBIT as its growth sleeve, alongside SPY, QQQ, utilities, and Treasury bills. That is the picture: Bitcoin as one sized ingredient in a boring recipe, not the meal.

Do that, and your Bitcoin experience will be nothing like the stories. No panic, no euphoria, no 2 AM decisions. Just a line on the annual statement that does its job.

Chapter 7: Volatility Is the Admission Price



Nobody gets the returns without the ride, so let us look straight at the ride.

Bitcoin has fallen by half or more, repeatedly, in its short life. Schwab's research counts peak to trough declines above 70 percent. In the fall of 2025 it set a high above 126,000 dollars, and as I write this it trades far below that. If you had bought at that top with money you needed, you would be hurting, and no chapter in this book would comfort you. That is precisely why the position is small, the schedule is automatic, and the money in it is money you will not need for at least five years.

Here is the other half of the record, the half that explains why the big firms publish allocations at all. Through every one of those crashes, the long trend has been up, driven by a simple machine: fixed supply, growing demand. Each cycle the swings have gotten smaller as the asset has grown up and the owners have shifted from day traders to institutions and retirement accounts. Small comfort in a crash, but it is the pattern, and patterns are what allocators bet on.

Two rules handle the volatility better than any prediction.

The sleep test: your allocation is too big if a 50 percent drop, which you should assume is coming at some point, would change your family's plans or your mood at the dinner table. Cut it until a 50 percent drop is an annoyance you read about at breakfast, not a loss you feel in your chest. That number, and not anyone's table, is your maximum.

The calm paper rule: write down, today, what you will do when Bitcoin falls 50 percent and what you will do when it doubles. My own written rules say the same thing in both directions: rebalance to the target percentage at the annual review, and otherwise let the schedule run. A rule written in calm weather is the only thing that survives storm weather. The investors who get destroyed by this asset are not the ones who were wrong about its future. They are the ones who met its weather without a rule.

Chapter 8: Families: Starting Them Early



Bitcoin will outlive us, which makes it a family subject, not a trading subject.

My son Lucas is in college. He writes, he works, and out of his own earnings he has been stacking Bitcoin, a fraction at a time, in his account at Schwab, working toward owning 0.21 coins, a fifth of one percent of all the Bitcoin that will ever exist per million people on earth, or as he would rather think of it, a small permanent claim on a fixed supply. Nobody gave it to him. He buys it the way this book teaches: small amounts, on a schedule, with money he earned, while his friends spend theirs. Whatever Bitcoin does over his lifetime, the habit is already the prize. A nineteen year old who saves in the hardest asset he can find, on purpose, by percentage, is playing a different game than his generation was offered.

That is the opportunity for your family too. A small Bitcoin position, held the boring way, gives your kids and grandkids three gifts no savings account hands them. It gives them an asset whose rules cannot be changed by a committee. It gives them a reason to learn, young, what money actually is and why the printed kind leaks. And it gives

them a story: their grandfather, or their mother, saw a new asset class being born and had the steadiness to own a little of it properly.

Keep it in proportion. For a child or grandchild, we are talking about small gifts, bought at birthdays, held for decades. The lesson is the point. A kid who watches a tiny stack of sats, the small fractions of a Bitcoin, grow and crash and grow across his childhood learns more about markets, patience, and himself than any lecture delivers. I wrote a whole short book about starting kids early in investing, and Bitcoin slots into that framework without changing a single rule: automatic, percentage based, boring, and explained in words a ten year old can repeat back to you.

Chapter 9: Leaving It Behind



An asset your family cannot find, reach, or inherit is not an inheritance. It is a rumor. Plan the handoff with the same care as the buying.

This is another quiet argument for doors one and two. ETF shares at a broker pass through your estate like any other security: beneficiary designations, your will, your trust, your executor's ordinary process. Coins in a broker's crypto account sit in your name at an institution your executor can call. If you have followed the estate planning path at all, and every veteran should, the Bitcoin bought the boring way lands inside it without special instructions.

Self custody is where fortunes go to disappear. Estimates in the industry say millions of Bitcoin are already lost forever, in wallets whose owners died, forgot, or threw away the key. If you hold your own keys, your estate plan must say so, must say where the recovery information lives, and must name a person who knows what to do with it, and all of that must be done without writing the recovery phrase itself in any document that passes through other hands. Do it with your estate attorney, in the

same conversation as your will and your trust. If that sentence sounds like a project, it is. It is also optional. Door one exists precisely so that most families never need it.

Tell your spouse where the position is, what it is worth roughly, and what the plan is. Not the passwords. The plan. The couples who do money together, on paper, out loud, are the ones whose plans survive contact with real life. That was true for the budget in my marriage book and it is true for this.

Chapter 10: Scams, Taxes, and Staying Safe



Veterans are targeted. The same traits that made you good at service, trust in the team, respect for authority, a bias for action, are the traits a scammer rehearses against. So hear this chapter as a briefing, not a lecture.

The patterns repeat. A stranger befriends you online, sometimes romantically, and slowly steers you toward a crypto investment that shows beautiful fake profits until you try to withdraw. A caller claims to be your bank, the VA, or law enforcement, and says your money is at risk unless you move it now. A video promises a public figure is doubling any Bitcoin sent to an address. Every one of these ends the same way. The defense is boring and total: nobody legitimate will ever ask you to move money urgently, nobody guarantees returns, and you never invest through anyone who contacted you first. Buy only inside your own accounts, at institutions you chose, on days when nobody is pressuring you. If a deal cannot wait until tomorrow, it is not a deal. It is a trap with a deadline glued to it.

Never share your wallet's recovery phrase with any person, website, or support agent, ever, for any reason. There are no exceptions. Whoever holds that phrase holds the money.

Taxes, briefly, because they are real. The IRS treats Bitcoin as property. Selling it, trading it, or spending it is a taxable event, measured against what you paid, and brokers now report crypto sales on tax forms the way they report stock sales. The ETF door keeps this simplest, since it lives in your normal brokerage and IRA accounts. Hold records, report honestly, and put a tax professional on your team if the numbers grow. Rules in this area change often. This paragraph is a signpost, not a substitute for your CPA.

And one legal sentence I will not bury: nothing in this book is financial advice for your specific situation. It is the framework my family uses, offered as education. Your situation is your own, and a good advisor who knows it is worth his fee.

Conclusion: The Window and the Rule



Every generation gets one or two chances to own a new asset class while it is still being argued about. Our grandparents watched the stock market become an ordinary family's tool. We are watching money itself get a second form. The argument phase is uncomfortable by definition. It is also the only phase where a small position, patiently held, can change a family's position in a way that Social Security math never will.

You do not need to be early by much, and you do not need to be right by much. You need a small percentage, bought on schedule, through a door with a phone number on it, rebalanced once a year, sized so its worst weather cannot hurt the people at your table. That is the whole book. The rest was explanation.

Write your percentage down. Set the schedule. Then go live your life, and let the machines, the institutions, and the next twenty years argue it out without you.

The Bitcoin Rule on One Page



1. Some, not none, and not much. For most families, 2 to 5 percent of the portfolio is the sane band.

2. Size it by the sleep test: if a 50 percent fall would change your family's plans, it is too big.

3. Buy where you already invest. A Bitcoin ETF like IBIT or FBTC in your brokerage or IRA, or actual coins at Schwab or Fidelity. Never through a stranger's link.

4. Buy on a schedule, automatically, by percentage, like the TSP. Payday, not headlines.

5. Only money you will not need for five years. Never the emergency fund. Never borrowed money.

6. Rebalance once a year back to your written percentage. Let the rule sell high and buy low for you.

7. Expect a fall of 50 percent or more at some point. Decide today, on paper, that your answer is the schedule, not the exit door.

8. Tell your family where it is and how it passes to them. An asset nobody can find is not an inheritance.

9. Never share a recovery phrase. Never move money at another person's direction. Urgency is the smell of a scam.

10. Keep your tax records, report honestly, and revisit the whole plan once a year, calmly, like everything else in this series.