GLASSHOUSE · FIELD GUIDE

Crypto, Done Properly.

The investor's field guide to getting into crypto without getting burned — custody, copy trading, drawdown, and the red flags that matter.

WHY THIS GUIDE

The problem isn't crypto. It's how most people are sold it.

Crypto is now a real asset class — ETFs, institutions, sovereign holdings. The opportunity is genuine. The way most people are invited into it is not.

Every day, investors are pulled into Telegram "signal groups," anonymous "fund managers," and copy-trading schemes that show screenshots of wins and quietly hide the losses. The result is predictable: people either stay out entirely and miss a legitimate asset class, or they get burned by someone who was never accountable in the first place.

This guide is the antidote. It's the same checklist a professional desk uses to evaluate where money is safe and where it isn't — written plainly, with nothing to sell you on these pages. Read it before you put a single dollar anywhere.

> **The one idea to take away:** in crypto, you don't get safe by picking the right tip. You get safe by choosing the right *structure* — custody, fees, transparency, and the ability to leave. Structure is something you can verify. Tips are something you have to trust.

PART 1

The 7 checks before you trust anyone with your crypto

1 **Custody — can they touch your money?** The only catastrophic risk. If funds stay in your own account and the service can only mirror trades, your worst case is trading losses. If you're asked to send money anywhere, your worst case is everything.

2 **Drawdown before ROI.** A 300% return with an 80% drawdown is a coin flip that hasn't landed yet. How much it loses when it's wrong matters more than how much it makes when it's right.

3 **Track record length.** Under 90 days is a hot streak, not a record. Crypto hands out months of free wins to anyone pointed the right way. Time separates lucky from good.

4 **Replicable sizing.** Tiny account + huge ROI usually means lottery-ticket position sizing that breaks the moment real money copies it.

5 **Fee structure.** Profit-share on a high-water mark means they earn only when you make new gains. Joining or monthly fees mean they earn whether you win or lose.

6 **Visible losses.** Every real operation has losing trades. If the public face is an unbroken green streak, the losses exist — you're just not allowed to see them.

7 **Instant exit.** Stopping and withdrawing should be yours to do at any time, with no permission needed.

PART 2

Custody: the one rule that makes the worst case survivable

Almost every crypto horror story — FTX included — has the same first sentence: *"I sent my money to..."* Custody is the difference between a bad outcome and a fatal one.

Custodial (avoid)

You send funds to a person, fund, or bot operator. Your protection is their honesty. If they vanish, mismanage, or get hacked, your capital goes with them.

Non-custodial (the standard to demand)

Your money stays in **your own exchange account**. A desk's trades mirror into it, but the service can never deposit or withdraw. The worst case becomes trading losses — real, but bounded — instead of total loss.

> *The test in one sentence: if you can withdraw your money right now without asking anyone, it's non-custodial. If you'd have to request it back, it isn't.*

> **Non-custodial removes the catastrophic risk — not the market risk.** A bad trader still loses money in your account. That's why the other six checks still matter. But custody is the one that turns "I lost some" into "I lost everything." Never compromise on it.

PART 3

How to read a track record like a professional

ROI describes the destination. Drawdown describes the journey — and you have to live through the journey with real money. Three ratios tell you more than any headline return:

1 · ROI ÷ max drawdown

The poor man's risk-adjusted return. Below ~2, the risk paid for the return badly. A 40% return on a 10% drawdown (ratio 4) is a far better operation than 200% on an 80% drawdown (ratio 2.5).

2 · Drawdown duration

How long underwater, not just how deep. Six months below the high-water mark tests your nerve more than a sharp two-week dip.

3 · Distance from peak

Copying someone at their all-time-high equity means you eat the next drawdown from day one. Check where they are in their cycle.

> **The arithmetic nobody does:** losses are asymmetric. A 50% drawdown needs a 100% gain just to break even. An 80% drawdown needs 400%. Deep-drawdown strategies that "always recovered so far" are living on borrowed time.

PART 4

Red flags & the 60-second test

Walk away if you see...

- **Guaranteed or "expected" returns.** No one can promise crypto returns. Anyone who does is lying or doesn't understand risk.
- **Pressure and urgency.** "Spots closing," countdown timers, "send now." Real operations don't rush you.
- **Only wins, ever.** Hidden losses are still losses — just ones you'll discover with your own money.
- **"Send funds to this wallet/address."** The single biggest tell. Your money should never leave your own account.
- **No verifiable history.** Screenshots aren't a track record. Ask for backtest and live numbers, side by side.

The 60-second test

Ask three questions: **Where does my money sit?** (Own account.) **When do you get paid?** (Only on my profits.) **Can I see your losses?** (Yes, published.) Three clean answers, and you've filtered out the vast majority of what's out there.

> **That's the whole game.** You don't need to predict the market or pick the perfect trader. You need a structure where the catastrophic outcomes are impossible and the incentives are aligned. Get that right, and crypto becomes an allocation — not a gamble.

THIS IS HOW WE BUILT GLASSHOUSE

Crypto, done properly — and run in the open.

Own-account custody. Profit-only fees. And the whole track record — backtests, live results, and the strategies we killed — published for anyone to check.

See the live research: **glasshousedesk.com/lab**
Talk to us when you're ready: **glasshousedesk.com**

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