

Crypto Quick-Start Guide

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The Weiss Ratings Crypto Quick-Start Guide

Welcome to the exciting, fast-paced world of cryptocurrencies! The information in this guide has been compiled and reviewed by all our crypto experts to create the foundation of your crypto toolbox. With these tools at your disposal, you'll be able to hit the ground running in any and all of our crypto services and in your broader crypto investing journey!

Now that you're ready to join this revolutionary market, there are a few things to do before you're ready to trade and invest.

To be specific, you'll need two things ...

- 1. An account on a centralized exchange.** This is primarily to be used as an on/off ramp that you'll use to convert your fiat currency into the crypto of your choice. These exchanges include Coinbase, for U.S.-based members, and Binance for non-U.S.-based members.
- 2. A hot wallet.** While you CAN hold your crypto on a CEX, we don't recommend it. Why? Because it means you don't have custody of your own crypto!

Remember: Not your keys, not your crypto.

In 2022 alone, we saw THREE black swan events that hit the centralized crypto community hard. Traders who held their assets on those platforms could no longer access their funds. By storing your crypto in a wallet only you control, you can reduce your risk of falling victim to the weakness of centralized finance.

Another key crypto tool to consider is a cold wallet. It offers more security than a software wallet — we'll go into more details later — though it's more complex to set up.

Finally, we'll review how to move your crypto from your on-ramp/CEX to your wallet.

So, let's get started ...

Setting Up Your On- and Off-Ramp

For this, we recommend CEXes like Coinbase, as it's liquid and regulated. Still, it's worth reiterating that we do not recommend storing or keeping your crypto here. Instead, it should be a tool used only to convert fiat to crypto.

Before you can set up your account on Coinbase, you'll need ...

- A government-issued photo ID. (Not a passport card; a full list of accepted IDs can be found [here](#).)
- A computer or smartphone connected to the internet (we'd recommend using your computer).
- A phone number connected to your smartphone (you'll receive SMS text messages as part of the setup process).
- The latest version of your browser (Coinbase recommends Chrome) or the latest version of the Coinbase app. If you're using the latter, make sure your phone's operating system is up to date.

If you have all that ready, you can get started.

Create Your Account and Verify Your Email

1. Go to the [Coinbase site](#). Click or tap **Get Started**. Then, fill in the requested information ...
 - Legal full name (needs to match your photo ID)
 - Active email address
 - A password that you'll create (this will be your login password)
 - Your state of residence (needs to match your photo ID)
2. Check the box next to the User Agreement and Privacy Policy and click **Create Account** if you agree.
3. Coinbase will then send you a verification email to your registered email address. Go to your inbox, open the email from Coinbase (no-reply@coinbase.com) and select **Verify Email Address**.

Clicking the link in the email will take you back to Coinbase.com.

4. You'll need to sign back in using the email and password you recently entered to complete the email verification process.

Verify Your Phone Number

Now, you'll need to verify your phone number as part of the two-factor authentication process. Once you've signed into Coinbase, you'll be prompted to select your country of residence and

your phone number. Fill those in and click **Send Code**.

Enter the seven-digit code Coinbase texted to your phone number on file and click **Submit**.

Add Your Personal Information

Enter the information shown on your valid government-issued photo ID — you'll need to submit a photo of this ID in the next step. This includes:

- First Name
- Last Name
- Date of Birth
- Address

You'll also need to answer a few security questions. Once you're done, click Continue to finish the process.

Verify Your Identity

1. Go to the [Document Verification](#) prompt.
2. Select your preferred identity document type and upload method.
3. Follow the on-screen instructions, then select **Upload**.

You'll receive an email confirmation when the verification has been completed.

Link a Payment Method

This will be how you fund your account. Coinbase has a few options, as shown in the table below:

	Best for	Buy	Sell	Add cash	Cash out	Speed
Bank Account (ACH)	Large and small investments	✓	X	✓	✓	3-5 business days
Instant Cashouts to bank accounts	Small cashouts	X	X	X	✓	Instant
Debit Card	Small investments and cashouts	✓	X	X	✓	Instant
Wire Transfer	Large investments	X	X	✓	✓	1-3 business days
PayPal	Small investments and cashouts	✓	X	✓	✓	Instant
Apple Pay	Small investments	✓	X	X	X	Instant
Google Pay	Small investments	✓	X	X	X	Instant

Note: These options are for U.S.-based customers. For others, please check here for what's offered for your country.

Which payment method you choose is up to you. Once you've decided, here's what to do ...

1. Go to [Payment Methods](#).
2. Select **Add a Payment Method**.
3. Select the type of account you want to link, and follow the instructions to complete verification depending on the type of account being linked.

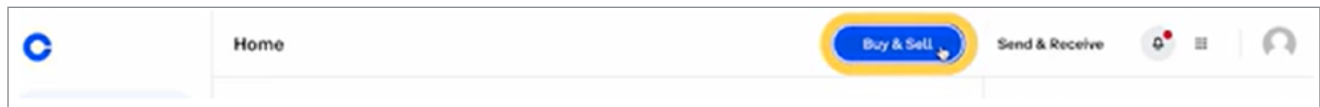
For individual guides for each type of account, click here and scroll until you see the type you have chosen.

And that's it! Once you've successfully added a payment method, you're now able to buy crypto on Coinbase!

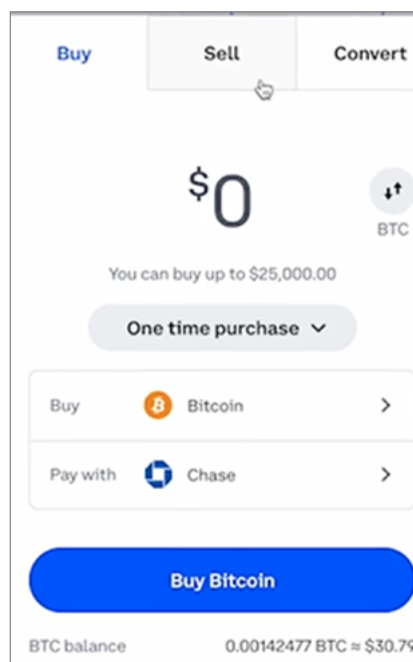
Now, here's how to do that ...

Buying Crypto on Coinbase

1. Sign in to Coinbase.
2. Select **Buy / Sell** on the upper-right-hand side.



3. Click the **Buy** panel to select the asset you'd like to purchase.



4. Enter the amount you'd like to buy denominated in crypto or your local currency.
5. Select your payment method.
6. Click **Preview Buy** to confirm your purchase (you can always click the back arrow to make a change).
7. If the details are correct on the review page, click **Buy** to complete your purchase.

Now, you should be able to see your crypto balance on Coinbase.

A Quick Overview of Crypto Wallets

Like we said previously, we DO NOT recommend keeping your crypto on Coinbase ... or any CEX. The value of crypto is in having full control over your own money. Crypto ownership and control boils down to three major components:

1. **A public address.** This is akin to a checking account number and refers to the place where the crypto resides on the blockchain.
2. **A public key.** This is essentially your proof of ownership over the public address and takes the form of a unique series of letters and numbers. This is tied to a private key but doesn't contain any information about the identity of the owner.
3. **A private key.** This is the most important piece. It's like a password to an online banking account ... giving the holder complete control over the crypto in question.

A wallet is simply where the keys are stored, and CEXes often have various wallets of their own.

Just as your stockbroker will hold shares for you in so-called street name, most crypto exchanges will also hold your cryptos for you in a digital wallet that comes with your account and lives on their website.

The upside is supreme convenience as this makes trading crypto as easy as hitting a button or two.

The trouble is ... the exchange is holding the keys to your crypto!

This may be fine for extremely short-term trading purposes. However, it also exposes you to the type of situation we saw play out with FTX ... where customer assets get locked up or disappear entirely.

Therefore, the only way to have complete say over your crypto always is through a wallet you — and ONLY you — control.

To illustrate the difference, let's say you buy some **Bitcoin ([BTC](#), Tech/Adoption Grade "A-")** through Coinbase.

You can leave that Bitcoin in a Coinbase wallet on the platform itself ... meaning you're also leaving the keys that control it. This is known as a custodial wallet because another organization is providing security for the keys and making future transactions on your behalf.

Alternatively, you can take the BTC you just bought and move the keys off Coinbase's platform and into a wallet of your own.

Then, that Bitcoin is entirely yours and Coinbase is no longer able to manipulate your funds. This is called self-custody.

Ready to go further?

Well, there are two major types of wallets available to you: hot wallets and cold wallets.

Let's evaluate the advantages and disadvantages of each type in greater detail and run through how they work so you can determine which one is best for you.

In addition, we will explore a good option for each wallet type and provide easy-to-follow instructions on how to set them up.

Hot Wallet Rundown

The term hot wallet applies to a crypto storage solution that remains connected to the internet.

Hot wallets may also be referred to as **software wallets or soft wallets**.

The basic idea is that your private keys are residing inside of an encrypted computer program running in one of three ways:

1. On a cloud-based program you access remotely, known as an online wallet.
2. On a physical computer you own, called a desktop wallet.
3. Or through an app running on a device like a smartphone, typically called a mobile wallet.

Online wallets may be the most convenient option as you can access them the same way you access an online bank account — by logging in from any device of your choosing.

However, they're not as secure as desktop or mobile wallets. So, if safety is a primary concern, then you're better off sticking to digital wallets that reside on your computer or mobile device.

There are many advantages to these types of hot wallets. For starters, most are free to download. They're available for PCs and laptops, as well as Android and Apple phones. Plus, they're easy to install and use.

But again, they aren't 100% secure because they're still connected to the internet. More important, they're only as safe as the device they live on.

So, if you use a hot wallet, be sure to use strong passwords or passphrases on your device ...

Protect your computer or smartphone from viruses and malware ...

Guard it against theft ...

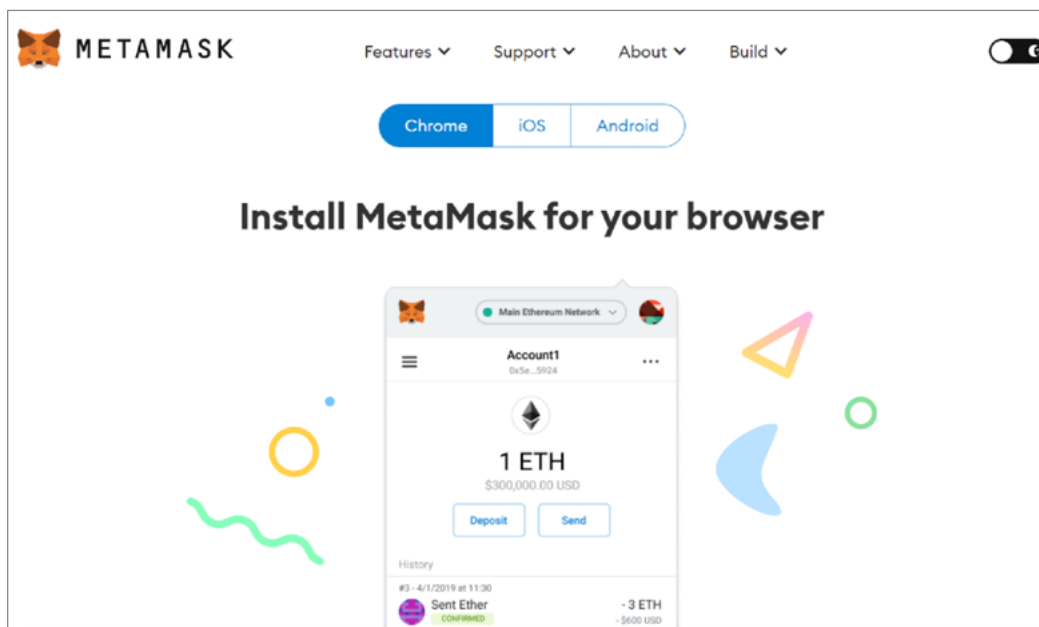
And remember to back up your system regularly.

Bottom line? **In our view, desktop or mobile wallets are the best short-term option if you're frequently trading cryptos or using your crypto to make purchases.**

Well-known choices in this category include Trust Wallet and Exodus. But the one we recommend for tokens based on **Ethereum (ETH, Tech/Adoption Grade "B")** is MetaMask. Here's a quick breakdown of how you can start using it if you aren't already.

Get Started with MetaMask in 3 Simple Steps

Step 1. Download MetaMask for Free



MetaMask can run as an extension on the following web browsers: Google Chrome, Firefox, Brave, Microsoft Edge and Opera. You can also download the app on an Android or Apple smartphone.

All you need to do is visit the Google Play store, Apple's app store or the [MetaMask website](#).

Step 2. Create Your Personal MetaMask Wallet

Click on **Create a Wallet**.

On the following screen, you will be asked to create a new login password.

After entering your password, you'll be given a 12-word seed phrase. These 12 random words are unique to your account and serve as a backup fail-safe. Keep a copy of this seed phrase — with the exact order and correct spelling of every word — because it allows you to retrieve your MetaMask wallet from anywhere in the world, even if you forget your password.

However, **avoid storing your seed phrase on anything that has access to the internet**. This includes screenshots and password-saving apps. If anyone steals your seed phrase, that person will be able to access your MetaMask wallet and all the crypto stored on it.

We recommend you write your seed phrase down on a piece of paper and lock it away in a safe place. Also note that no one should ever ask you for your seed phrase. If someone does, it's likely a phishing scam.

Step 3. Confirm Your Seed Phrase

On the following screen, you'll be asked to reenter the phrase you wrote down to confirm you have the words in the right order.

Once you've entered your seed phrase correctly, click **Confirm**.

That's it! You've now completed the one-time steps for setting up a MetaMask wallet.

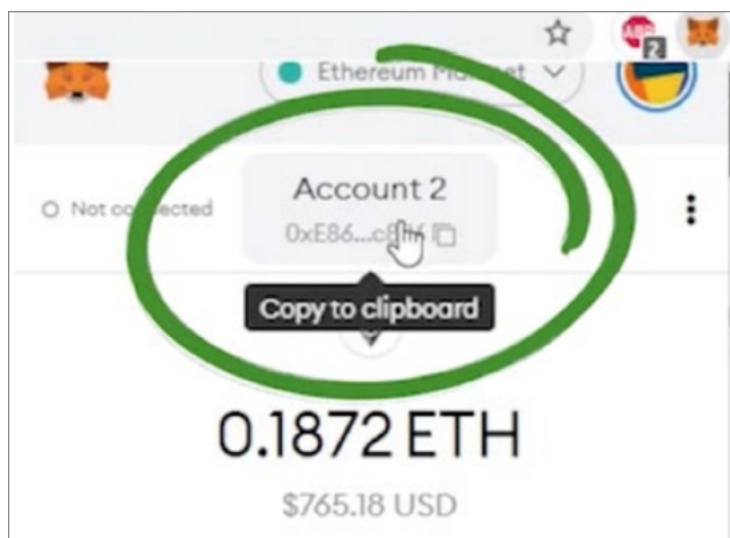
From here, you can begin transferring ETH-based assets. And while the specifics might vary a bit with other types of hot wallets, the overall process should be similar.

In fact, we'll walk you through the process of moving your crypto right now.

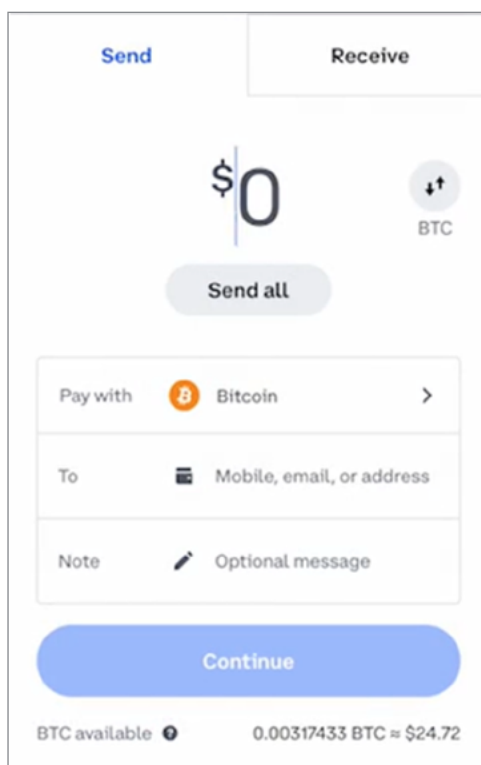
Transferring Your Crypto from Coinbase to MetaMask

Sending crypto from your centralized account to your wallet has a few steps. But once you get them down, it's an easy process that's basically uniform across platforms and wallets.

1. Log in to your Coinbase account and MetaMask wallet if you aren't already.
2. In your MetaMask account, click on your address at the top of your wallet to copy it.



3. Go back to Coinbase. Click **Send/Receive** at the top right of the page, next to the **Buy/Sell** button.
4. In the **Send** tab, enter the amount you wish to send. You can change the value from USD to the crypto of your choice by toggling the button with the up and down arrows on the right of the tab.



5. In the **Pay With** field, select the currency you want to send from the menu.
6. In the **To** field, paste the address you copied earlier from your MetaMask wallet. Take a moment to make sure it matches exactly. If there's a typo and you confirm the transaction, you won't be able to get your crypto back.

Note: If this is your first time transferring assets, we recommend doing a test run first with a small amount.

7. When ready, click **Continue**. You'll have one more chance to review everything. Make sure the amount, type of crypto and address for your wallet are all correct. When you're confident everything is right, click **Send Now**.
8. In MetaMask, check to make sure your crypto is there. It may take a few minutes for the transaction to process.

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