

**EPISODE 648**

[INTRODUCTION]

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**FT:** What is Bitcoin? We're going to get right to it on this episode. Welcome to So Money everyone, I'm your host Farnoosh Torabi. I should know what Bitcoin is right? I mean I know it's cryptocurrency but I don't really know how it works. I don't really think that I should have to care about this. I just thought that this is something that was overly hyped and hopefully will just disappear but I have to say as somebody who works in a personal finance space, who writes about it, who talks about it, who meets people all the time, who were doing interesting things in this whole category, Bitcoin is not going away.

I've been getting more pitches about Bitcoin in the last probably 30 days, than I have in last three years. It's one of those things that makes you go, "Hmm, maybe we should do just a real entry level 101 discussion around this on the show." I thought that it would be great to bring on Jack Finio, who is the co-founder of Fund3 it's a quantitative hedge fund that uses machine learning to make sense of digital assets and cryptocurrency markets and Jack is totally immersed in this market.

He's going to tell us, what is Bitcoin? Why we should care and what is the future? How is Bitcoin going to maybe revolutionize that the way we bank today? You know, the way that we deposit our money and take out our money and move money around in this world. We could be on the brink of change and he's gonna talk about what he is experiencing in how Fund3 is part of this market. A little bit more about Jack, he's a native New Yorker grew up just steps away from Wall Street and so naturally was intrigued by finance, investing and entrepreneurship from a very early age. By 17, he'd won multiple business competitions.

In college he set a traditional finance and computer science. Great combination if ever you want to graduate with a job. He graduated with a business, he quickly learned that AI and Blockchain technology could become extremely disruptive and it was there that he saw an opportunity to

really capitalize on this trend and eventually start Fund3. He is very impressive, he is younger than probably most of you listening to this show, lots that we can learn from Jack Finio.

Here we go, take a listen.

[INTERVIEW]

**FT:** Jack Finio, welcome to So Money. My millennial entrepreneur of the week.

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**JF:** Thank you so much for having me here Farnoosh, it's a pleasure to be on the show.

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**FT:** I am so excited to have you on the show. I have yet to really do a show really ever on Bitcoin, cryptocurrency, frankly because I'm a little afraid of the whole thing.

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**JF:** Sure.

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**FT:** I find it very mystifying, I find it like one of those stories that you think just going to go away eventually on its own but then it always finds its way back into the headlines. Obviously, Bitcoin had its run with headlines a few years ago and seem like there was this fascination around it. There was this surge in investing in Bitcoin and people were like, "Oh, we are kind of skeptical about it," right?

"What is this weird financial currency? It will just go away someday." 2017 it has not gone away and you sir are starting an entire company around this, so clearly this is a force to be reckoned with. Fund3 is your venture, but before we dive in to the details of this, before we get started.

Just as a 101 for all of us, including myself. What is cryptocurrency? What is Bitcoin? Is this something that we're really all going to become have to become more familiar with, do you think?

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**JF:** The most difficult thing that we've kind of faced in entering, kind of, this cryptocurrency world is number one, it's a very technical technological revelation in terms of the actual computer science behind what's, you know, behind closed doors anyway and so with that it takes a long time for users to feel comfortable with what is going on with their money. Especially the fact that it is your kind of own financial assets and it's such a change from the current system, it takes a very long time for the everyday user to feel comfortable stepping in to this new realm.

But as for what cryptocurrency is, cryptocurrency is really a, you know, a catalyzation on a new technology called Blockchain. And what a Blockchain is, is very simply a new form of a ledger, it simply tracks transactions. What it does with those transactions is it makes it very, very, difficult to fake a transaction but very easy to verify if those records are accurate. What that allows us to do is create a new system where the user can verify what they own and then the entire network can verify that as well.

So, Bitcoin is an extension of this Blockchain technology, where the user is really just using an application. Bitcoin is really just a computer program that allows you to hold a Bitcoin wallet. And, that Bitcoin wallet allows you to send and receive Bitcoin via a Blockchain based system.

So, what the Blockchain itself does is verify that, you know, you or I indeed own the Bitcoin that we say we do and then once we want to send it to another person, it verifies that transaction so the record is forever recorded on the Bitcoin Blockchain and then once I send you that Bitcoin it is very verifiable and it's in your wallet.

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**FT:** Compared to what we're normally used to banking with financial institutions. I write a check or an electronic check or I swipe my credit card and that virtual money gets sent out in to the world somewhere. How does this differ? Is it better? Is it more efficient? Is it going to someday override the traditional banking system that we all are used too?

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**JF:** Sure, so I think, you know, one of the best analogy is that I've heard used to, you know, why this is so powerful? Is really closes kind of a trust gap in our economic system where if you or I go to the grocery store, you know, we're entrusting that grocery store to have those proper products in stock. The marketing that's labeled on the actual product, we are trusting that store it's in fact a verifiably, you know, say organic and what the Blockchain allows us to do is remove that grocery store intermediary.

So with the bank, you know, you no longer need a bank to tell you how much money you own or you no longer need a bank to verify the transactions that you or I are sending to one another. If I want to write you a check, I can sign the check and send it to you and then the current procedure is for a bank to, verify that I have the funds. So we're entrusting that, you know, we're trusting that third party intermediary to actually facilitate that transaction. We've seen throughout history is that those third parties are often corrupt or, you know, face an immense number –

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**FT:** Too big to fail.

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**JF:** Right, they face an immense number of internal challenges. It's, you know, obviously a problem that we saw in the 2008 financial crisis which really was, kind of genesis of Bitcoin itself. We have this big banks that we're trusting with all of our money but sometimes, you know, we don't really know what's going on behind those walled gardens.

And as a user if you really want to kind of take back your financial power and the ownership of your own funds, this is a system that allows you to do that.

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**FT:** I see, and so does this threaten banks in the future. Do you find that banks are resistant to this? Or, that some are saying, “You know what let’s cooperate because could someday dominate the industry and we want to be a player.”

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**JF:** Yeah, there’s absolutely a spectrum of used cases for this technology. There is a level of threat to big banks but the best analogy that I’ve heard in response to that is, you know, asking a bank CEO about Bitcoin, is like asking the head of the post office about email. It’s really not what they want to hear and they do understand that it can be disruptive. That being said like I mentioned this is a spectrum so there are projects that are actually geared toward banks to support their own internal problems right?

You know, we can solve one problem at a time and one of these major problems is kind of the settlement cost between transactions. It takes a long time, you have to involve even additional third parties to settle transactions and this is a multi-billion dollar problem. So, it's projects like Ripple, that are trying to facilitate these bank to bank transactions. Rather than, you know, really focusing on getting rid of banks. It’s just a matter of how can we best move assets around and verify that those assets are owned by a given party.

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**FT:** Which brings us to your latest venture, I say latest even though you're still on your 20's you've been entrepreneur since a very young age having won multiple business plan competitions as a teen, you've combined your background in computer science and finance to start Fund3. Tell us what is Fund3? And how is going to benefit all of us?

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**JF:** Absolutely, so Fund3 is really a quantitative hedge fund that applies machine learning based training algorithms to digital asset markets. What we really want to use are, you know, algorithms that can look for patterns and mistakes in cryptocurrency markets. But this is really just a, kind of, an initially use case of our technology and it's kind of just the most profitable at this time.

Where if you zoom out what we're seeing is kind of an unprecedented move towards new financial data and with this new and massive amount of data, we're going to need to use Artificial Intelligence and Machine Learning to make sense of it all. So, you know, with these kinds of, you know, these algorithms and this infrastructure we're able to gain a very new look on a global economy that's obviously still forming and cryptocurrency is really just one aspect of this new global economy.

But in kind of tracking all of this data aggregating it making sense of it using, you know, AI based analysis we can gain a very interesting look in to what is going on in the economy.

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**FT:** And so you started this a couple of years ago while you were in college, tell us about that genesis. I mean it's one thing to complete college that's a feat in it of itself you started a company in your dorm room us the saying goes, how did you do it?

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**JF:** One of my co-founders Anthony, he was actually my roommate during my senior year and we're just getting to know each other early on the semester. Kind of spit-balling, you know, what we're interested in, what we're working on, we were both in computer sciences and realized that we had similar ideas and similar passions. We both had a lot of experience with Blockchain technology and really saw, you know, kind of this potential use cases. He was in a year-long course called Building the High Tech Startup at USC and invited me to join with him and, you know the course is really just building a startup.

You know, we go for idea, to planning, to creation and it's focused towards engineers, so we are able to build the products. In that class we met with our third co-founder and really, you know, he had also been familiar with Blockchain technology. That was the genesis of Fund3, it was how do we best combine our skill sets and tackle a problem that we see that we can tackle in a new market.

I focused on kind of the operations of the company. My co-founder Anthony focuses on kind of algorithmic development. He's the machinery expert. My third co-founder Calvin is really the data expert on the team and has worked at Google and done AI research at USC. I mean with that build a bird's eye version of an algorithmic trading strategy, got great results early on and then just accelerated quickly from there.

Raised a proof of concept fund in the second semester of our senior year, triple that in value over the next three months and now we're taking on new larger size investors.

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**FT:** When I think of a financial startup, one that is going to facilitate peoples' money and in this case we're not talking dollars and in a sense we're talking cryptocurrency but still currency. I think of a company that hopefully has people with a lot of experience in the financial industry or people who are older and wiser than me, who have had a lot of a, you know, a lot of good positive experience, profitable experience managing money.

You and your co-founders are young and don't have any experience in necessary the financial industry working in it, hedge funds, etc. Has that been difficult for you all as you've been trying to raise money and prove your concept?

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**JF:** You know, it has been kind of initial push back for us we do draw on a ton of experience from our great group of advisers who have, you know, years and years of experience at major financial institutions, from JP Morgan, Bridgewater, PIMCO etc. and so they have been

immensely helpful and kind of giving us that gray haired presence, like you mentioned, where you can feel comfortable mastering those funds.

However, in this asset class it really – obviously it's very new but it's also a very new skillset to be able to understand the technology and value of the actual assets themselves. It helps a lot obviously to have a computer science background where you can understand the cryptography behind the actual cryptocurrencies and it's really a shift in how you can value a crypto asset.

The same fundamental analysis that you would do for a stock and you are looking at financial statements, cash flows, PE ratios, those don't exist in cryptocurrencies. What really you have to look at is kind of the underlying network and what value the developers are trying to bring to their audience. Whether or not they will be able to deliver on those on that value proposition with that development road map looks like and whether they'll be able to meet those milestones.

So, for us we've been in this space for a while. We've been trading, studying and researching this as a class, you know, we draw on a lot of experience, yes. But having this background is what is a huge advantage in cryptocurrency markets.

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**FT:** Another question about the industry that I have, is just how fast is this progressing like are we going to see a day in say the next 10 years, in our lifetime, when world mostly be working on this kind of platform versus, you know, stick your money in a bank account, you know, waiting for the banks to tell us what are our balances are?

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**JF:** Sure, you know in my opinion I think that there is a world where the two technologies can co-exist, where the two spaces can co-exist with big banks, with people managing their own finances, like a Bitcoin wallet. I do believe that there can be a world where those two can co-exist. That being said we're really still on the very bleeding edge of what we can do with this technology and what we are seeing is, you know, investors realizing that there's a huge amount of potential.



But what people may not realize is how long it will probably take to reach those visions and I think that your timeline is more accurate, it's more on the 10 year in our lifetime type scale rather than, you know, Bitcoin will be disrupting banks Or we're going to move away from a banking based system in the next few years. I think that's a bit farfetched.

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**FT:** Alright, that's a good answer I would say, a fair answer, coming from someone who maybe is a little bias, frankly. I was surprised, maybe I thought you're gonna say "Bitcoin is the future and the future is now," so that's good. We don't have to all run to the banks yet.

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**JF:** No, definitely not yet but I do think, you know, it would be – for anyone to spend the time to understand what is being developed because there will become a point in time where we are a digital economy. I think we're already seeing that shift and you can look at global cash payments are on the extreme decline in a lot of countries, digital payments are going to supersede cash payments and out of the coming few years, or even in the next year. So this shift towards "digital money" is already happening, whether or not that's a cryptocurrency based system.

Personally, I never really carry around cash and I don't think a lot of people in my generation do, it's just not the most efficient system. It's going take a bit of time for cryptocurrency to be able to service the entire population but there is a tremendous amount of value in that kind of technology applied to either legacy type systems or, you know, if they can't catch on, there will be a disruption in the future.

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**FT:** Let's talk about Jack Finio. You were raised in New York City I understand, just steps from Wall Street, you've been intrigued by entrepreneurship and investing and finance since you were very young, at 17. I mentioned earlier you've won multiple business plan competitions. So

firstly, is this in your DNA? Not Bitcoin, the cryptocurrency fascination necessarily but just, you know, your passion for building and starting things.

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**JF:** Yeah, absolutely I think, you know, I started at a very young age and knew that I kind of had that entrepreneurial spirit. I do have to look to my parents though as fellow entrepreneurs. They've been working together for many, many, years and started their own architectural firm. I think I do have that in my blood whether it's not they've been able to identify the entrepreneurial gene yet but yes, you know, I think early on I realized that there was a tremendous amount of value in building your own concepts or, you know, tinkering with your own ideas.

And, being able to, kind of, capitalize on market opportunities. I realized that obviously investing was a major route towards, you know, financial freedom and being able to make those financial decisions for yourself.

You know, invest in companies or ideas that you thought would provide value in the future. So, yes, I think there is always that kind of passion behind me and even led to towards me studying computer science in college, where after this business plan competitions that I participated in high school, you know, we had won a bit of capital.

I definitely wanted to turn those ideas in to a reality, but, you know realized that I didn't have the technical skills at all to build what I wanted to or, you know, hiring a developer was extremely expensive. So going in to college if was ever going to be able to build what I wanted to or build on my own and turn my ideas into a reality, I had to gain those skills on my own.

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**FT:** What about money? You had obviously a lot of interest in investing but did you get a lot of education around personal finances, saving, spending anything like that growing up? I mean living in New York it's quite a unique experience compared to most children who grew up in suburbia. New York City's very expensive place to live. You see all angles of wealth and poverty,

so what was your perspective on money growing up? How did you learn about the basics of money?

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**JF:** Sure, yes, so I do credit New York to a lot of my self-learning about financials. It did kind of thrust me out on my own. From an early age, I was always very independent. I did teach myself a lot but I do think that parents really do, or have been missing on opportunities to teach their children about finances. Including your kids in the conversation about personal finances and learning about money.

Obviously, kids are blabbermouths and will go and run to their friends what they hear from their parents. But, starting from an early age and understanding what it takes to be financially independent and all of the logistics and decisions involved, is something that you can definitely learn early on. I wish that I had a bit more guidance and I think a lot of people who graduate from college think the same.

But I do credit, you know, growing up in New York and being very independent from an early age, to a lot of my own financial learning and encouraging me to go out and read a lot about investing and, you know, stocks and trading, to kind of gain that financial freedom.

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**FT:** So you said that with kind of a chuckle that you wish you had learned some things, maybe, that were amiss growing up anything specific? Was there a missed step that you made? You're still young, there's still a lot of time to make more mistakes, as I've learned. But we talk a lot on this show about financial failures. What would you characterize as a money mistake to date?

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**JF:** Yeah, absolutely, so growing up I was a huge saver. I would say that as much as possible, I really didn't spend a lot of money at all. Like even with my lunch money, I would try to maintain the smallest budget possible. So I can save the leftover lunch money and just have that in my

savings account or have it around. So for whatever future purchase I wanted to make, I could if I wanted to. But then, going at the college being on my own I kind of made this – and whether or not, you know, it was a realized shift or not, I shifted my mentality towards saving it to spending and this was a very new mindset for me.

It was kind of a new reality fending for myself and being on my own but I wasn't prepared for that reality and I wasn't prepared for that mind set shift. So my spending definitely went overboard and so the money that I had saved cut and dwindled pretty quickly during college. Now kind of looking back, it definitely could have gone towards, you know, more productive things, I think.

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**FT:** Wouldn't have guessed that from the boy who saved his lunch money. From the boy who saved his lunch money. What's the dumbest thing you bought or spent your money on? And you can't say pizza and beer and things like that. Because that's what every college kid spends money on. But was there something else that you regret spending your money on?

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**JF:** Yeah, obviously there's a lot of the smaller things. I think I spent a lot of money on like concert tickets and trips, that even in between classes like probably could've been better off not taking. Obviously, there is a lot of fun that we had but –

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**FT:** Did it result to credit card debt or is it just a bank account depletion?

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**JF:** Yeah, there is, yeah, there is definitely a bank account depletion. Obviously now as a graduate there is, you know, obviously student loans that could be – student loans that could be

better prepared for with those savings. So looking back, yeah, there could've been more savings.

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**FT:** Yeah, well, I think it's also worth talking and asking about your ability to fundraise for a startup. I think that's something that a lot of listeners who may be curious about starting their own businesses, want some insight on. How do you actually go about raising money as a startup? Can you give us some advice? How did you go about it? Did you just start with people you know and trust you?

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**JF:** Sure, yes, so just to give maybe a background on how we started at Fund3. We started testing our training algorithms with our own personal money and the test went really well. We were getting fantastic results, we were absolutely destroying the market performance overall and so we took that performance and then went to any investor that we could talk to. Anybody involved in finances with venture funding, about what we had and how we could make this valuable.

Obviously, you know, they came back to us and they said, "Yeah, you're very early on, we need more of a track record, we need to..." You know, kind of this and this and this. "We need these metrics and this data." So, what we did was just take baby steps and so, and say, "Alright, so if we need to, if we want to raise this amount of money what do the people that we're going be raising that money from need to see from us to feel confident in writing that check." So we had those conversations early on which was extremely useful.

So we kind of have an outline of exactly what we needed to accomplish. So from our own, from trading from our personal money we then raise to a very small, kind of, proof of concept fund. To raise those funds, we had a lot of friends and family members who had been asking us to either manager their own cryptocurrency portfolios or invest on behalf of them. We said, "Hey, why don't you loan us this money, we will invest it for you, we will give you a simple interest rate on your loan but the company got to keep the rest of funds."

So, number one, we got to kind of take our funds to the next, sort of, magnitude in terms of proof of concept, tracking and metrics and getting the data that our potential investors would need kind of later down the road. Where we are now – and we also raised, you know, basically a significant amount of operating capital through that deal because the company got to keep our returns from the fund.

So, we started out with a small amount but tripled that over the next few months and so that kind of, you know, 200, 250% return basically went to the company. I mean allowed us to grow significantly. I mean, now we're at the point where we do have the data, we have the metrics, we have that track record that those investors want to see. To prove that we have taken noble approach to this market and that noble approach has generated quite a bit of results.

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**FT:** So basically, you said to investors, “Look give us a loan, we will pay you interest which is guaranteed. We will use that money to create proof of concept that we can actually grow this money above and beyond the loan interest.” But whatever after you earn, you kept. That's a no brainer for the investor. Big risk for you Jack, what made you confident that you could prove this model?

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**JF:** Sure, yes, so, you know at the end of the day we realized that if everything, fell apart we could probably find a way to pay back our investors. So we weren't jumping in to this without a deal.

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**FT:** Some runway.

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**JF:** Yes, exactly, some idea of being able to make good on those loans. But, you know, we also, we had great results from early tests and we knew that we had a huge opportunity in terms of the timing that we're entering the market. Prices were on the rise and our strategies are performing well in both, you know, live and kind of back end situations.

So, we had, yes, we had kind of two safety nets if you will. We had some runway and then some great confidence in the conditions that we were entering the market to be able to perform and prove what we were building was going to be able to make good on our promises.

But at the end of the day, you know, any startup is taking risks. So if we were ever going to prove a concept we had to go out and take that risk. I think, if you talk to any entrepreneur there has to be a level of faith in order to –

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**FT:** Right.

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**JF:** To you kind of step out – you're trusting that what you've been pitching is what –

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**FT:** That you're drinking your own Coolaid, I get it, yeah.

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**JF:** Yes, yes to have some skin in the game. Yes, so once you kind of take that first step there's no looking back in to it and we never did. We just kind of kept looking forward, kept growing, you know, we tried to obviously risk manage as best as we could. But to get the data that we needed we had to take that risk.

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**FT:** And how old are you again?

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**JF:** I'm 22.

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**FT:** 22?

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**JF:** Yup, yeah.

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**FT:** I thought you were maybe 26, 25, you're 22! You're – I say this with all respect, you're a baby but you're brilliant. You're a 22 going on 42. So, congratulations to you and your team. I mean everything I'm hearing, I've interviewed a lot of entrepreneurs, all the time. I've never heard of anyone with the model you just talked about.

How, you know, thinking how we can create a no brainer for investors that they'll give us their money and that's a basically a win-win for everybody. That's an incredible strategy and take away. Thank you for sharing that with us and I'm glad it worked out.

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**JF:** Absolutely, thank you.

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**FT:** I'm glad it is working out. Okay, back to you and your money, what is a financial habit that you're now practicing, that maybe you weren't in college because you feel as though maybe you didn't get all the right education ahead of that. But now as you kind of reflected on all of that, is there a habit that you're practicing? It could be daily, weekly, monthly – that helps you keep your money where it needs to be, so that keeps it growing?

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**JF:** Sure, yes, so personally I'm a huge planner. I like to have an idea, always of what the next steps are going to be and that comes with my job. You know I'm in charge of operations of the fund and so obviously it is important for me to have an idea of, you know, the next few months, the next year and where we are financially.

But that carries over in to my own personal life. If I can have an idea of, you know, even if just monthly spending and how that spending is allocated. But, you know, what am I spending my money on? That means that if something comes up if there's an event, if there's a, you know, a challenge that I am facing financially. I can probably plan for that and know what effect that event is going to have on my financials, tomorrow in the next week, in the next month, in the next year. Having that ability to kind of risk managing my own personal finances has given me a lot greater flexibility and a lot more comfort on how I'm spending my money.

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**FT:** Yeah, now you have to really be accountable to not just yourself but to this business.

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**JF:** Right, right.

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**FT:** You've got investors, that's huge. Let's do some So Money fill in the blanks. This is when I start a sentence and you finish it with the first thing that comes to mind, okay?

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**JF:** Sure.

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**FT:** Have a little fun with it. Let your hair down Jack. If I won the lottery tomorrow, the first thing I want to do is?

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**JF:** Invest in Bitcoin. Obviously, yes, obviously as an investor I would put quite a bit of money towards cryptocurrency and kind of, you know, filling out that portfolio and getting the proper exposure to this new class. I think any investor both traditional – kind of risk taking can allocate some capital towards this market.

But beyond that, yes, I would allocate some funds towards cryptocurrency. I think, just being in L.A. and seeing the growth here in the city. I'm very bullish on real estate here, I would love to invest in a market here and then yeah, I got to be honest, you know, sailing is my happy place so –

[00:34:08]

**FT:** Yeah.

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**JF:** You know, if I could get like just even, you know, a little bath tub with a sail on it and get out in to the ocean, I would be extremely happy.

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**FT:** That's cool. How do you invest in Bitcoin? That's a very rudimentary question but can you answer that in like 30 seconds? Like, how do we actually – someone listening on the show now, is like “Yeah that sounds like a good idea. Jack said you should invest in Bitcoin, how do I do that?”

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**JF:** Absolutely and yes, so just to start. A lot of the companies offering that gateway are startups themselves. So it is a very new space and it comes with difficulties it's not the easiest process in the world. That being said, I think you know the logical first step for most people in the space has been to go to a site called Coinbase.

Coinbase has made kind of made the first step in making the user interface of investing in these currencies and assets very easy and you can feel confident that your assets are stored securely. They do a great job in terms of handling those very basic problems that are kind of really fundamentals to any investor and that we don't necessarily realize because of how maybe easy it is to enter in to the stock market or gain access to kind of more traditional assets.

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**FT:** I see, alright that was very helpful. There's actually website for this that we can all check out. What is it again?

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**JF:** It's called Coinbase.

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**FT:** Coinbase, okay. When I splurge I love to spend my money on?

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**JF:** Food, I am a huge foodie and being in L.A. does not help. There's a Taco truck on every corner, you know, there's the fantastic sushi. My girlfriend and I love to cook and you know so whenever we get the chance to, yes, to splurge it's always on a good meal, yes.

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**FT:** On food. Also who has time to cook when you're starting a business? But you do.

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**JF:** There's a level of batch cooking at home maybe –

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**FT:** Yeah.

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**JF:** On Sunday night, you know, you just throw whatever ingredients you have in the fridge in to a big pot and hope it tastes good.

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**FT:** Yes.

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**JF:** But with some experimentation and iteration, it's gone okay. I think we're pretty proud with where our cooking is at.

[00:36:37]

**FT:** Awesome. When I spend money on something that makes my life easier or better, I spend on?

[00:36:44]

**JF:** Education. I think education is, you know, the kind of longest process that we are ever involved in and there's always something to learn and there's always a new way to learn it. You know, I read textbooks when I have a chance. Or you know, I'll buy kind of new programs just to play around with them.

Whatever kind of skills I can teach myself, especially when it comes to understanding new markets or new technology. I'm always trying to learn and improve on myself.

[00:37:22]

**FT:** When I was growing up the one I wish I've learned about money is?

[00:37:27]

**JF:** The power of investing. I think we focus a lot on spending and saving, budgeting and kind of personal finances but if you can take that a step further and say, "If I have this amount of savings can I invest that and turn that in to even more money?" I think, you know, if you look at how the smartest people in the world they'll all tell you how powerful compounding interest is and if you can understand concepts like that, you then kind of master markets.

Investing is a very powerful thing and it doesn't have to be complicated or difficult. At the end of the day, you can invest in technology and companies you believe in or you use on a day to day basis.

[00:38:13]

**FT:** Yeah, I mean just let it sit and ride it out, you know. I think sometimes we get overwhelmed by this concept that we have to keep an eye on it and trade and you know sell high, buy low and it is like, just buy something and hold on to it for 25 years, it will be probably worth more.

[00:38:33]

**JF:** Yeah, absolutely.

[00:38:33]

**FT:** Than when you bought it. And, obviously diversification is important, don't buy one stock, you know have a portfolio. I think you're absolutely right about that. When I donate I like to give to blank because?

[00:38:46]

**JF:** Yeah, just like I like to invest in my own education I like to empower the education of others. I think if you look at the proliferation of new technology in recent years, we've seen huge, huge advances in personal technology and just across the board. But when it comes to education we've really remained kind of the same place that we were decades ago and it's really unfortunate.

I think there's a huge opportunity to improve on how individuals are educated and in such an interconnected world that we live in now. The fact that we're kind of confined to the classroom on a day to day basis, is so unfortunate. When I think that, you know, I hope that people are taking strides now. I think that we're kind off to that realization that, you know, it won't really matter how much progress we make if that progress doesn't affect people across the board. If we improve on our own education system I think that we have much better chance of bringing this, kind of grand visions of the future in to reality.

[00:40:03]

**FT:** And last but not the least, I'm Jack Finio I'm So Money because?

[00:40:07]

**JF:** I'm So Money because I am always looking for new markets, new market opportunities, new investment opportunities that my skills, my knowledge can capitalize on. Hopefully make a little bit of money on the way but just learning more and staying up to date with new technologies.

[00:40:26]

**FT:** A reminder listeners, Jack is 22. No pressure on everyone else listening. It's been wonderful chatting with you Jack. I really love what you're doing. I think you're so smart and so nice.

[00:40:38]

**JF:** Thank you so much for having me on the show Farnoosh, it was really an amazing experience and, yeah, just happy to share whatever I can.

[00:40:46]

**FT:** I'll be looking for you in the headlines, this story is not going to be going away and it's nice to know that good, smart people like you are behind it. So good luck with everything and don't be a stranger, come back when you've got more to share.

[00:40:58]

**JF:** Thank you so much.

[END OF INTERVIEW]

[00:41:02]

**FT:** Thank you so much to Jack Finio, co-founder of Fund3, for stopping by. His website is fund3.co and Jack is on Twitter @jackfinio. Also, if you have any additional questions about

Bitcoin, cryptocurrency, Fund3 – Jack is a millennial so he'll definitely be responding on social media.

If you want to co-host the show with me on Fridays, you know what to do. Go to So Money Podcast, click Ask Farnoosh and you can send me a question or get in touch with me and let me know that you want to co-host and why. And hopefully, we will connect in a future episode. Thanks for tuning in everyone, I hope your day is So Money.

[END]