

# Self Assessment Module 1

Welcome to the self-assessment for Module 1 of our course! This brief multiple-choice quiz is designed to help you gauge your understanding of the material covered in this module. Each question will touch on key concepts and topics discussed, giving you an opportunity to reflect on your learning journey so far. Good luck!

## Question 1: What is the primary purpose of the public blockchain?

- a) To serve as a centralised database for storing information.
- b) To allow only a select few to read and write data.
- c) To deterministically achieve consensus on a common reality without the need for centralised parties.
- d) To serve as a backup system for traditional databases.

Answer: c) To deterministically achieve consensus on a common reality without the need for centralised parties.

## Question 2: Which statement about Bitcoin is NOT true?

- a) It was designed as a peer-to-peer electronic cash system.
- b) It introduced the concept of "Blockchain".
- c) Bitcoin miners receive rewards in BTC.
- d) The term "Blockchain" was specifically mentioned in the original Bitcoin whitepaper.

Answer: d) The term "Blockchain" was specifically mentioned in the original Bitcoin whitepaper.

## Question 3: Which of the following is NOT a use-case for tokens on a blockchain?

- a) Representing ownership of real estate.
- b) Voting in a governance system.

- c) Boosting the speed of the blockchain network.
- d) Representing a unit of value in a decentralised application.

Answer: c) Boosting the speed of the blockchain network.

**Question 4: What do smart contracts enable on a blockchain?**

- a) Only the transfer of native cryptocurrencies.
- b) The creation of tokens and execution of pre-defined logic.
- c) The ability to change the underlying blockchain's protocol.
- d) The ability to improve the blockchain's decision-making process aka. consensus protocol.

Answer: b) The creation of tokens and execution of pre-defined logic.

**Question 5: Which of the following is a primary use for Decentralised Applications (dApps) as of the text's writing?**

- a) Gaming and entertainment.
- b) Social media networking.
- c) Decentralised finance (DeFi) primarily on the Ethereum blockchain.
- d) Decentralised cloud storage.

Answer: c) Decentralised finance (DeFi) primarily on the Ethereum blockchain.

**Question 6: What significant event in the financial world is mentioned prior to the birth of Bitcoin?**

- a) The tech bubble burst in the early 2000s.
- b) The 2008 financial crisis.
- c) The stock market crash of 1987.

d) The introduction of credit cards.

Answer: b) The 2008 financial crisis.

**Question 7: Which of the following is NOT mentioned as a key feature of a successful currency?**

a) Using money as a medium of exchange.

b) Using money for online shopping

c) Using money to accumulate and indicate value.

d) Maintaining trust in the currency and its regulators.

Answer: b) Using money for online shopping.

**Question 8: What is the primary reason companies and individuals are considering adding digital assets to their portfolios?**

a) To follow current trends and fads.

b) For greater diversification opportunities.

c) To replace traditional assets completely.

d) Because it's a mandatory investment.

Answer: b) For greater diversification opportunities.

**Question 9: Which of the following is NOT an advantage of Distributed Ledger Technology (DLT) as presented in the slides?**

a) Automation through smart contracts.

b) Centralised storage of data.

c) Decentralised trust.

d) Validation and security of data.

Answer: b) Centralised storage of data.

**Question 10: Which of the following best describes the role of blockchain technology regarding trust?**

- a) It centralises trust in a single authority.
- b) It enables the transfer of trust from a central authority to the underlying protocol.
- c) It eliminates the need for trust in any system.
- d) It restricts trust only to verified users of the blockchain.

Answer: b) It enables the transfer of trust from a central authority to the underlying protocol.



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