Read the following resources before answering the questions below:

1. <https://www.theglobeandmail.com/report-on-business/rob-commentary/cryptocurrencys-crash-is-a-matter-of-when-not-if/article37257013/>
2. <https://www.cbc.ca/news/business/hut8-medicine-hat-bitcoin-mining-1.4834027>
3. <http://www.bbc.com/news/business-42237432>

Guidelines for writing a supported opinion paragraph (SOP)

* + <http://schools.peelschools.org/sec/fletchersmeadow/studentlife/OSSLTprep/Documents/Sample_%20Writing%20a%20Supported%20opinion%20paragraph.pdf>

**Level 1: Bitcoin & Cryptocurrencies**

1. **List three ways that “cryptocurrencies” (e.g. Bitcoin) are different from traditional currencies (money).**

-They are online currencies and have no physical form.

-The cryptocurrencies are not backed up from the government or banks whereas traditional currencies are supported by the government and the banks.

-The traditional currency is controlled by a central authority and cryptocurrencies are controlled by the community.

1. **List one advantage of Bitcoin over on-line payment services such as PayPal.**

The advantage Bitcoin has over PayPal is the ability to be private. People do not have to share their email when using Bitcoin.

1. **List three types of organizations (or types of users) that would benefit in a positive way from the use of “cryptocurrencies”.**

-Financial organizations.

-Insurance organizations.

-Security organizations.

1. **Bitcoin claims to be anonymous. Is this true (explain)? How could someone find out your identity?**

Bitcoin is not fully anonymous. When transactions take place, the IP address of the sender can be recorded with special tools. If they have a static IP address, it can state their location which someone can use to track the sender down.

1. **Many people claim that the use of "cryptocurrencies" should be restricted because they make it easier for criminals to hide their actions. Is this a valid point of view? Write a SOP to support your arguement.**

**Level 2: Bitcoin & The Environment**

1. **What is a Bitcoin “miner” and how big is the Hut-8 facility in the city of Medicine Hat Alberta?**

-A bitcoin miner is a computer that is specially optimized to do SHA-256 math. After doing this math, the miner is rewarded a small portion of a cryptocurrency. They Hut-8 facility has 73 datacenters, each consuming about 1MW of electricity.

1. **Why has Hut-8 decided to locate its facility in Alberta when its head office is in Toronto? What does the city of Medicine Hat provide that is required for mining Bitcoin?**

-Hut-8 decided to locate its facility in Alberta because the electricity price in Alberta is one-fourth of the price in Toronto. The city of Medicine Hat provides electricity or mining Bitcoin.

1. **What benefits does the city of Medicine Hat expect to see from this Bitcoin facility?**
2. **What concern does the city of Medicine Hat have about from this Bitcoin facility?**
3. **What concern do environmentalists have about the Medicine Hat facility and about Bitcion mining in general? E.g. how does Bitcoin mining harm the environment?**
4. **If Hut-8 wanted to build a facility in Brampton, would be in favor of this proposal. Write a SOP to justify your position.**

**Level 3: Mobile Payments**

1. **Explain how you could use social media to make payments for things you buy in the store.**
2. **List three ways that social media payments are a positive thing.**
3. **List three ways that social media payments are a negative thing.**
4. **Is Canada ahead of or behind other countries in the use of mobile payments? Explain your answer.**
5. **In your opinion, should mobile payments be allowed in Canada? Write a SOP to justify your position.**