Workbook: Test Workbook

# Passage 1: Crypto

The Cryptocurrency Craze: How Digital Coins Are Changing the Game  
  
Cryptocurrencies have taken the world by storm. In just over a decade, Bitcoin, the first-ever digital currency, has gone from being unknown to a household name. But what are cryptocurrencies, exactly? In simplest terms, they are digital tokens that use encryption techniques to secure the generation of units of currency and verify the transfer of funds. Unlike traditional currencies, cryptocurrencies are not backed by a government or financial institution, but instead rely on decentralized technology known as blockchain.  
  
Despite their novelty, cryptocurrencies have already made an impact in the financial world. They are faster and cheaper to use than traditional banking methods, making them an attractive option for individuals and businesses alike. In addition, cryptocurrencies offer greater anonymity and security, as they are not tied to personally identifiable information.  
  
However, the rise of cryptocurrencies has not been without controversy. Critics point to the lack of regulation and potential for fraud and money laundering as concerns. There have been high-profile instances of exchanges and wallets being hacked, resulting in the loss of millions of dollars worth of digital currency. Some governments have even gone as far as to ban cryptocurrencies altogether.  
  
Nonetheless, the cryptocurrency industry continues to grow and innovate. New digital coins are constantly being introduced, each with their own unique features and purposes. Some are designed for greater privacy, while others prioritize speed and scalability. And as more companies begin to accept cryptocurrencies as a form of payment, their mainstream adoption seems increasingly likely.  
  
One thing is for certain: cryptocurrencies are here to stay. Whether they will revolutionize the financial system or remain a niche market is yet to be seen, but for now, their impact can be felt across the globe.

1. What is a cryptocurrency?  
A. A token system used in traditional banking methods.  
B. A unique feature added to traditional currencies by governments.  
C. A digital token that uses encryption techniques for security  
D. A type of currency that is backed by a financial institution  
  
2. What is the main disadvantage of traditional banking methods compared to cryptocurrencies?  
A. Traditional banking methods are more secure  
B. Traditional banking methods are faster  
C. Traditional banking methods are cheaper  
D. Traditional banking methods are tied to personally identifiable information  
  
3. What is blockchain?  
A. A type of regulation for cryptocurrencies  
B. A decentralized technology that provides security for transfer of funds  
C. A financial institution that issues cryptocurrencies  
D. A type of cryptocurrency that uses tokens for security  
  
4. According to the passage, what is one disadvantage of using cryptocurrencies?  
A. They are more expensive to use than traditional banking methods.  
B. They are backed by governments, making them less secure.  
C. They are not tied to personally identifiable information  
D. They have the potential for fraud and money laundering  
  
5. What is a potential disadvantage of the lack of regulation of cryptocurrencies?  
A. High fees for exchange and wallet services  
B. The possibility of hacking and loss of digital currency.  
C. The lack of anonymity and security in transfers  
D. Lack of access to traditional banking methods for the unbanked population  
  
6. What is a unique feature of some cryptocurrencies mentioned in the passage?  
A. Being backed by governments  
B. Being designed for greater privacy  
C. Being more expensive to use than traditional banking methods  
D. Being tied to personally identifiable information  
  
7. What has been the attitude of some governments towards cryptocurrencies?  
A. They are embracing them as the future of the financial system.  
B. They are banning them altogether.  
C. They are implementing greater regulations to ensure their security and legitimacy.  
D. They are neutral and not taking any stance.  
  
8. What is the impact of cryptocurrencies on traditional banking methods?  
A. They offer greater security than traditional banking methods.  
B. They offer faster transfer times than traditional banking methods.  
C. They offer a cheaper alternative to traditional banking methods.  
D. They are challenging traditional banking methods with their faster and cheaper options.  
  
9. What is the author's stance on the future of cryptocurrencies?  
A. They are likely to remain a niche market.  
B. They will revolutionize the financial system.  
C. Their impact is still uncertain.  
D. They will be completely replaced by traditional banking methods.  
  
10. What does the passage suggest about the future of cryptocurrencies?  
A. They will continue to grow as new digital coins are introduced.  
B. They will lose their appeal as more concerns over security are raised.  
C. They will be replaced by traditional banking methods.  
D. They will remain a niche market with no significant impact.

Answers: 1. C  
2. D  
3. B  
4. D  
5. B  
6. B  
7. B  
8. D  
9. C  
10. A