

THE CORE - BITCOIN DIPLOMA ASSIGNMENT TWO APRIL - JUNE 2024

Hello,

This is our Second assignment for the Bitcoin Diploma Course. It is a multiple-choice quiz that carries 25 points.

The assignment will be open from **24th to 30th May 2024**. Please take the time to go through the quiz. Once you pick an answer, you cannot choose another answer for the same question. This is designed to help with your understanding as we progress through our course.

Assignment 1 and 2 each carry **25** points, and the final test carries 50 points, bringing the total to **100 points**. The pass mark to **graduate is 70 points from both assignments 1, 2, and the final test**, along with a **60% class** attendance. Upon successful completion, you will be awarded a **certificate of completion** with **bitcoin reward for every graduate** which is sent directly to your Bitcoin wallet.

Please make use of **the email you used** during the registration for the **April-June Intake**. **If you haven't Downloaded the Text Book(BITCOIN DIPLOMA 2024), please Click the link attached to download the soft Copy:**

[BITCOIN DIPLOMA TEXT BOOK 2024](#)

If you run to any sort of problem please reach us or directly to our Founder, Felix Mukungu

All the best.

Follow Our social platforms by clicking the link below and click on each social platform
<https://linktr.ee/thecore21m>

Best Regards,
The Core - Bitcoin Education
email: connect@thecore.africa

* Indicates required question

1. Email *

2. **What category of money lacks tangible asset backing and is mandated by law?**

* 1 point

Mark only one oval.

- ☐ Commodity
- ☐ Gold standard
- ☐ Fiat Money

3. **How do banks primarily make a profit in the fiat system?** *

1 point

Mark only one oval.

- ☐ By printing more money
- ☐ By investing in tangible assets
- ☐ By charging interest on loans

4. **What does the multiplier effect refer to in the context of fractional reserve banking?**

* 1 point

Mark only one oval.

- ☐ The total money supply growing from initial deposits
- ☐ Banks repurchasing assets to prevent collapse
- ☐ The expansion of central bank intervention

5. **What is monetary inflation?** *

1 point

Mark only one oval.

- ☐ The increase in the money supply within an economy
- ☐ The stabilization of the money supply within an economy
- ☐ The regulation of interest rates within an economy

6. **What is the impact of inflation on purchasing power?** *

1 point

Mark only one oval.

- ☐ Increase in purchasing power
- ☐ Decrease in purchasing power
- ☐ Stabilization of purchasing power

7. **Why do people in today's world tend to spend money immediately?** *

1 point

Mark only one oval.

- ☐ Due to rapid decrease in the value of money
- ☐ Due to increased long-term planning
- ☐ Due to increased savings opportunities

8. **Why do people find themselves working more jobs and longer hours under the fiat system?** *

1 point

Mark only one oval.

- ☐ Due to decreased demand for labor
- ☐ Due to decreased competition in the job market
- ☐ Due to rising costs of living

9. **What does the fiat system instill in individuals?** *

1 point

Mark only one oval.

- ☐ Long-term planning skills
- ☐ High time-preference
- ☐ Risk-averse behavior

10. **What is a central feature of Bitcoin's design?** *

1 point

Mark only one oval.

- ☐ Centralized control by a government entity
- ☐ Fixed exchange rate with fiat currencies
- ☐ Decentralization and transparency

11. **What is the primary advantage of a decentralized financial system, ?** * 1 point

Mark only one oval.

- ☐ Enhanced resilience and independence
- ☐ Simplified monetary policy implementation
- ☐ Decreased individual sovereignty and autonomy

12. **What system, developed by Adam Back, was designed to limit email spam and denial-of-service attacks?** * 1 point

Mark only one oval.

- ☐ DigiCash
- ☐ Bit Gold
- ☐ HashCash

13. **What was the primary goal of the Cypherpunks?** *

1 point

Mark only one oval.

- ☐ Pursue privacy and decentralization
- ☐ Increase government surveillance
- ☐ Expand centralized control

14. **Who is the anonymous creator of Bitcoin?** *

1 point

Mark only one oval.

- ☐ Nick Szabo
- ☐ Satoshi Nakamoto
- ☐ Adam Back

15. **What significant event marked the official launch of the Bitcoin network?** *

1 point

Mark only one oval.

- ☐ Bitcoin's first transaction
- ☐ Satoshi Nakamoto's identity revealed
- ☐ Mining of the genesis block

16. **How many bitcoins will there ever be, according to Bitcoin's rules?** *

1 point

Mark only one oval.

- ☐ 21 million
- ☐ 50 million
- ☐ 100 million

17. **What is the smallest unit of a bitcoin ? ***

1 point

Mark only one oval.

- ☐ Satoshi
- ☐ Micro-bitcoin
- ☐ Milli-bitcoin

18. **In a peer-to-peer (P2P) transaction, who are the participants involved? ***

1 point

Mark only one oval.

- ☐ Online marketplaces
- ☐ Two individuals directly exchanging Bitcoin
- ☐ Government agencies

19. **What does it mean to have a self-custodial Bitcoin wallet? ***

1 point

Mark only one oval.

- ☐ You have full control over your private keys
- ☐ The wallet is managed by a bank
- ☐ A third party controls your Bitcoin

20. **Which type of Bitcoin wallet provides the highest security but can be lost if the physical record is misplaced? ***

1 point

Mark only one oval.

- ☐ Online wallet
- ☐ Mobile wallet
- ☐ Paper wallet

21. **Why is open-source code important for Bitcoin wallets?** *

1 point

Mark only one oval.

- ☐ It makes the wallet user-friendly
- ☐ It allows the community to review and develop the code
- ☐ It reduces transaction fees

22. **Which of the following steps is necessary when setting up a self-custodial Bitcoin wallet?** *

1 point

Mark only one oval.

- ☐ Generating a recovery phrase and private key
- ☐ Providing personal identification
- ☐ Creating an account with a provider

23. **What happens once a Bitcoin transaction is verified by nodes on the network?** *

1 point

Mark only one oval.

- ☐ It is held in escrow
- ☐ The transaction is reversed
- ☐ It is added to the blockchain

24. **What is the main benefit of using a hardware Bitcoin wallet?** *

1 point

Mark only one oval.

- ☐ Easy to recover if lost
- ☐ Provides customer support
- ☐ Very secure and can be used offline

25. **What should you always do before sending a Bitcoin transaction?** * 1 point

Mark only one oval.

- ☐ Call the recipient to confirm
- ☐ Transfer funds to a bank account
- ☐ Double-check the transaction details

26. **What concept emphasizes the importance of independently verifying information in the Bitcoin ecosystem?** * 1 point

Mark only one oval.

- ☐ Centralized control
- ☐ Don't Trust, Verify
- ☐ Quick and easy profits

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