THE CORE- BITCOIN DIPLOMA JAN - MARCH 2024 COHORT FINAL TEST

Hello,

This is our final test for the Bitcoin Diploma Course. It is a multiple-choice quiz that carries 25 points Covering
All Chapters

The test will be open from **26th Feb to 8th March 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 65 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 **a reward of 500 SATs per person**.

Please make use of **the email you used** during the registration for the **Jan-March Intake. If you haven't Downloaded the Text Book, please Click the link attached to download the soft Copy:**

BITCOIN DIPLOMA TEXT BOOK

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

All the best.

Best Regards,
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* Indicates required question

1. Email *

_____

2. **What makes one bill desirable and another as good as trash,** * 1 point
according to the Bitcoin Diploma

Mark only one oval.

( ) Color of the bill

( ) Size of the bill

( ) Belief in the value of the bill

3. **According to the Bitcoin Diploma, what does time preference refer** * 1 point
to?

Mark only one oval.

( ) Preference for a specific time zone

( ) Preference for immediate gratification or long-term planning

( ) Preference for specific moments in history

4. **What is the main focus of Bitcoin as suggested in the text** *   1 point

Mark only one oval.

( ) By introducing centralized scarcity

( ) Potential to change the financial system

( ) Immediate gratification

5. **What are the benefits of the barter system, as highlighted in the text?** * 1 point

Mark only one oval.

( ) Efficient and convenient

( ) Easy to manage in complex societies

( ) Direct exchange of goods and services

6. **What drawbacks to using barter are mentioned based on the class exercise experience?** * 1 point

Mark only one oval.

◯ Lack of social interaction

◯ Double coincidence of wants

◯ Limited diversity in goods

7. **How did the use of paper receipts address the drawbacks associated with metal coins in the text?** * 1 point

Mark only one oval.

◯ More portable and easily transferable

◯ Enhanced durability for long-term use

◯ Intrinsic value backed by precious metals

8. **What is Purchasing Power?** * 1 point

Mark only one oval.

◯ The ability to buy luxury items.

◯ The amount of goods or services that can be bought with a given amount of money.

◯ The amount of money in circulation

9. **What is a Ledger used for?** *   1 point

Mark only one oval.

◯ Keeping track of monetary transactions

◯ Writing daily thoughts.

◯ Recording personal memories.

10. **How does Inflation affect Purchasing Power?** *   1 point

Mark only one oval.

◯ It decreases it.

◯ It increases it.

◯ It has no effect on it.

11. **What is the Time Value of Money?** *   1 point

Mark only one oval.

◯ The concept that money has no value over time.

◯ The idea that money is worth more in the present than in the future.

◯ The belief that money should be saved for a specific duration.

12. **What motivated the creation of Bitcoin by the Cypherpunks?** *   1 point

Mark only one oval.

◯ Desire for fame and recognition.

◯ Pressure from financial institutions.

◯ Belief in the power of technology to bring about positive change.

13. **What is a drawback of centralized systems mentioned in the Bitcoin Diploma** * 1 point

Mark only one oval.

( ) Transparency and trust.

( ) Lack of autonomy for individuals

( ) Resilience to failures.

14. **What is a characteristic of decentralized systems mentioned in the text?** * 1 point

Mark only one oval.

( ) Dependence on a single point of control.

( ) Centralized decision-making.

( ) More resilience due to no single point of failure.

15. **In the decentralized consensus game, what is the role of a good actor?** * 1 point

Mark only one oval.

( ) To work with others to verify information and achieve consensus

( ) To blindly trust others in the network.

( ) To mislead and sabotage the process

16. **What is the key feature of Rai stones on Yap Island?** *   1 point

Mark only one oval.

◯ Unlimited supply.

◯ Scarcity, making them difficult to reproduce or inflate

◯ Centralized control.

17. **How are transactions with Rai stones on Yap Island recorded?** *   1 point

Mark only one oval.

◯ Using modern banking systems

◯ Using modern banking system

◯ Based on oral history and trust.

18. **How does a decentralized system operate effectively, according to the text?**   * 1 point

Mark only one oval.

◯ By having a set of clear, transparent rules that everyone agrees to follow.

◯ By promoting a single central authority.

◯ By relying on personal relationships and subjective trust.

19. **What technological innovation revolutionized the way economic transactions are conducted?**   * 1 point

Mark only one oval.

◯ Centralized systems.

◯ Traditional ledger systems

◯ Bitcoin

20. **Who is Satoshi Nakamoto?** *   1 point

Mark only one oval.

◯ A Japanese tech enthusiast

◯ The creator of Bitcoin

◯ All of the above

21. **When was the "Bitcoin Whitepaper" published?** *   1 point

Mark only one oval.

◯ 2010

◯ 2011

◯ 2008

22. **What was Satoshi Nakamoto's goal for Bitcoin?** *   1 point

Mark only one oval.

◯ Decentralized digital currency

◯ Centralized digital currency

◯ Government-controlled currency

23. **Who are some influential figures mentioned as having input into**   * 1 point
    Bitcoin's creation?

Mark only one oval.

◯ Elon Musk and Mark Zuckerberg

◯ Wei Dai and Nick Szabo

◯ Tim Berners-Lee and Linus Torvalds

24. **How is bitcoin (lowercase "b") different from Bitcoin (capital "B")?** * 1 point

Mark only one oval.

- ( ) Both refer to the same thing
- ( ) Bitcoin is a person; bitcoin is a concept
- ( ) bitcoin is the currency; Bitcoin is the network

25. **What is the conversion rate of bitcoin to satoshis?** * 1 point

Mark only one oval.

- ( ) 1 BTC = 1,000,000 sats
- ( ) 1 BTC = 100 sats
- ( ) BTC = 100,000,000 sats

26. **Can Bitcoin be shut down by governments?** * 1 point

Mark only one oval.

- ( ) No, it's decentralized
- ( ) Only temporarily
- ( ) Only in specific countries

27. **What is the symbol for bitcoin?** * 1 point

Mark only one oval.

- ( ) $BTC
- ( ) #BTC
- ( ) BTC

28. **What is a key advantage of Bitcoin in terms of being a medium of exchange?**   * 1 point

Mark only one oval.

( ) Cross-Border Efficiency

( ) Government Regulations

( ) High Transaction Fees

29. **What is the main purpose of a bitcoin wallet?** * 1 point

Mark only one oval.

( ) To store physical cash

( ) To manage personal PINs

( ) Allows you to manage your bitcoin

30. **How does a bitcoin wallet differ from a traditional bank account?** * 1 point

Mark only one oval.

( ) Bitcoin wallets are decentralized and operate on a person-to-person network

( ) Bitcoin wallets have recovery phrases like traditional banks

( ) Bitcoin wallets are centralized and regulated

31. **In a self-custodial wallet, who holds the private keys?** * 1 point

Mark only one oval.

( ) A third-party provider

( ) The bank

( ) The user

32. **What is the purpose of the saying "Not your keys, not your coins"?** *   1 point

Mark only one oval.

◯ To emphasize the importance of having direct control over private keys

◯ To promote custodial wallets

◯ To discourage the use of recovery phrases

33. **What should users consider when choosing a bitcoin wallet?** *   1 point

Mark only one oval.

◯ The wallet's popularity on social media

◯ The wallet's color preferences

◯ The wallet's control over private keys, security, and fees

34. **What does the Lightning Network provide in terms of financial transactions?**   * 1 point

Mark only one oval.

◯ Quick, cheap, and confidential transactions

◯ Slow and expensive transactions

◯ Transactions exclusively in traditional fiat currencies

35. **How does the Lightning Network handle transactions compared to the main Bitcoin blockchain?**   * 1 point

Mark only one oval.

◯ It broadcasts all transactions to the Bitcoin's blockchain

◯ It handles most transactions Layer 2 of the Bitcoin Network

◯ It operates independently from the Bitcoin blockchain

36. **In Bitcoin, what is the purpose of the "mempool"?** * 1 point

Mark only one oval.

◯ Storing private keys

◯ Storing backup copies of the blockchain

◯ Managing unconfirmed transactions

37. **What role do miners play in the Bitcoin network?** * 1 point

Mark only one oval.

◯ To verify and add transactions to the blockchain

◯ To hold private keys for all users

◯ To control the mempool

38. **What is the significance of a "hard fork" in the context of blockchain?** * 1 point

Mark only one oval.

◯ It's a software bug

◯ It's a mining pool

◯ It's a software upgrade requiring all nodes to update

39. **How is the total computing power of the Bitcoin network measured?** * 1 point

Mark only one oval.

◯ Megabytes per second

◯ Hashes per second

◯ Transactions per block

40. **What is the primary purpose of a "private key" in Bitcoin** *   1 point

Mark only one oval.

○ To identify a user on the blockchain

○ To facilitate public key encryption

○ To access and control funds

41. **What is the "51% attack" in the context of blockchain security?** *   1 point

Mark only one oval.

○ An attack by 51 developers on the blockchain

○ Majority control of the network's mining power

○ A hardware failure in mining equipment

42. **Which consensus mechanism is used in Bitcoin to validate**   * 1 point
transactions and add them to the Bitcoin's blockchain?

Mark only one oval.

○ Proof of Authority (PoA)

○ Proof of Stake (PoS)

○ Proof of Work (PoW)

43. **How often does the Bitcoin network experience a "halving" event?** *   1 point

Mark only one oval.

○ Every 2 years

○ Every 6 months

○ Approximately every 4 years

44. **Why is Bitcoin considered a game-changer in the financial world?** *   1 point

Mark only one oval.

  ◯ Due to its flashy marketing strategies

  ◯ Because it is the only digital currency available

  ◯ It addresses the needs of communities where traditional banking is ineffective

45. **What is a potential benefit of Bitcoin for unbanked communities?** *   1 point

Mark only one oval.

  ◯ Limited access to investments and assets

  ◯ Faster and efficient fund transfers without intermediaries

  ◯ Increased dependence on traditional banks

46. **According to the text, what is "Hyperbitcoinization"?** *   1 point

Mark only one oval.

  ◯ A term for Bitcoin's decline in popularity

  ◯ A new cryptocurrency introduced by Bitcoin

  ◯ A theoretical future where bitcoin becomes the dominant global currency

47. **What impact could Bitcoin's widespread adoption have on monetary** *   1 point
policy, according to the text?

Mark only one oval.

  ◯ Challenge the ability of governments to control the money supply

  ◯ Increase manipulation by financial institutions

  ◯ Decrease financial inclusion and opportunities

48. **What does the Lindy Effect suggest about Bitcoin's longevity?** *   1 point

Mark only one oval.

◯ The longer Bitcoin exists, the more likely it will continue to exist

◯ Bitcoin's longevity is guaranteed by law

◯ Bitcoin's existence is unaffected by time

49. **Why is Bitcoin considered a reliable store of value?** *   1 point

Mark only one oval.

◯ Due to its high transaction fees

◯ Because it is easily manipulated by government

◯ Bitcoin's digital scarcity

50. **What is the purpose of Dollar-Cost Averaging (DCA), as mentioned**   * 1 point
in the text?

Mark only one oval.

◯ Predicting short-term price fluctuations

◯ Minimizing the risk of market volatility by spreading out purchases

◯ Maximizing profits by investing large sums at once

51. **What is the purpose of the Hash/Price ratio and Price/Hash ratio**   * 1 point
metrics?

Mark only one oval.

◯ . To compare the growth of Bitcoin's price and computational power

◯ To assess the risk associated with Bitcoin

◯ To determine the energy usage of Bitcoin mining

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