

8 Draw and annotate a diagram to show how a payment transaction is made using digital currency and blockchain.

[4] _

5 Complete the description of digital currencies using the terms provided.

- blockchains changed datachains decentralised
- deleted encryption passport physical address
- physically records time-stamp traced
- transaction-chains virtually

A digital currency does **not** exist, it can only be accessed electronically.

Some digital currencies have digital ledgers called

These are decentralised databases where each transaction is stored as a new set of data with a and is linked to the previous set of data. This means that transactions cannot be altered, only new transactions added, which allows the location of the data to be

[4]

12 Digital currency can be used to pay for products and services.

Digital currencies are often tracked using digital ledgers.

(a) Give **two** other features of digital currency.

- 1
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- 2
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[2]

(b) Identify the process that uses a digital ledger to track the use of digital currency.

..... [1]