**ACTIVITY # 5**

**Tipo actividad: Cuestionario**

**Multiple-choice activity about the text.**

1. What is yield farming?

a) A low-risk investment strategy

b) A high-risk investment strategy involving staking cryptocurrency assets on DeFi platforms

c) A method of traditional banking

d) A strategy for long-term savings

1. What is liquidity mining?

a) Mining for precious metals underwater

b) A process of lending crypto assets to decentralized exchanges for incentives

c) A form of agriculture

d) Extracting water from underground sources

1. What is a governance token?

a) A token used for voting rights in decentralized applications

b) A form of physical currency

c) A token used for buying goods in decentralized marketplaces

d) A token representing ownership of a physical asset

1. Who can be a liquidity provider?

a) Individuals who provide liquidity to decentralized exchanges

b) Individuals who borrow assets on DeFi platforms

c) Individuals who stake their tokens on centralized exchanges

d) Individuals who hold cryptocurrencies

1. What are some risks associated with yield farming?

a) Rug pulls and regulatory risks

b) Market swings and price slippage

c) Turbulence in the crypto market

d) All of the above