

Introduction to Law and Technology
Exam - 7 July 2022

NOVA Law School

Welcome to the exam of Introduction to Law and Technology. You have 1(one) hour to answer the following questions. This is a multiple-choice exam. Please mark the option which in your opinion is correct. You may only mark **ONE** correct answer. You are not required to justify your choice. Please do not write anything else on the margins as this explanation shall not be read.

1. The concept of right to privacy varies depending on the country and culture:
 - a. True
 - b. False

2. The concept of 'smart city' is elusive. Technology is at the core of its definition. What are the other crucial elements?
 - a. Sustainability, entrepreneurship, and political stability
 - b. Innovation policy, political stability, and human capital
 - c. Innovation, entrepreneurship, and human capital

3. Big Data does not always refer to large volumes of data. Is this:
 - a. True ?
 - b. False ?

4. A 'digital citizen' is:
 - a. An avatar who represents a citizen online (e.g., on Metaverse)
 - b. Someone who is connected to the Internet, can use it to make online purchases, and use social media
 - c. Someone who is connected to the Internet, can engage critically and responsibly with digital technology.

5. Is your fingerprint 'personal data'?
 - a. Yes
 - b. No

6. Can your gait (= the way you walk) be used to identify you if the rest of your data is anonymized?
 - a. No, especially if your face is not visible
 - b. No because the data cannot be re-identified.
 - c. Yes, your gait helps identification and pseudonymization has many issues

- d. No, pseudonymization has many issues but if your face is not visible, gait cannot be used for identification ____
7. The principles of GDPR do not allow data to be reused. Is this:
a. True ____
b. False
8. Smart contracts:
a. Are always legally valid, binding and enforceable contracts under general principles of contract laws.
b. Are only legally valid, binding and enforceable contracts if given such recognition under a legislative act.
c. Can sometimes be legally valid, binding and enforceable contracts if they fulfil legal rules for valid contract formation.
9. Payment Services Directive 2 (PSD2)
a. Prohibits banks to share customers' data with third party providers and enforces strong customer identification mechanisms to protect customers against modern cybersecurity risks.
b. Enables modernization of legacy banking infrastructure with the use of open permissionless blockchain systems.
c. Introduces new third party providers that can offer certain financial services to customers.
10. PSD2
a. Introduces account information service providers to facilitate payment initiation directly between the customer and the merchant, disintermediating other financial services providers.
b. Enables customers to download their financial data from their banks and provide them to third party service providers in order to get access to new diverse financial services.
c. Introduces additional rights for banks' customers to protect them from cybersecurity risks of online banking. These rights include right of information, right to be forgotten and right to withdraw consent for processing of financial data.
d. Introduces new third party providers that can compete with existing financial institutions in providing financial services to customers.
11. Markets in Crypto Assets Regulation (MiCA)
a. Is a comprehensive bespoke regulation that will govern the entire blockchain innovation in the EU.
b. Will focus on governing decentralized crypto activities including staking, lending and mining.
c. Will impose certain obligations on crypto assets issuers and crypto assets service providers.
d. Has been designed to combat significant stablecoins projects like Libra and will govern only stablecoins.
12. Under MiCA:

- a. All issuances of crypto assets will be strictly controlled and all issuers of crypto assets will require license and authorization as credit institutions.
- b. All issuers will have to be legal entities registered in the EU and will be required to produce white paper and submit it to national authority for approval.
- ~~c.~~ Existing national legal regimes governing crypto assets will be supplemented by MiCA and Member States will have 2 years to transpose MiCA into their national legal systems.
- d. EU regulator defined main MiCA objectives to be legal certainty, market integrity and consumer and investor protection.

13. Internet of Things (IOT)

- a. With their simplistic functionality and low computational power IOT devices are well suited to meet GDPR objectives of data integrity and confidentiality.
- b. Data collected through IOT devices can be effectively processed with the use of complex analytical tools to provide personalized services to customers and fulfil data maximalization objective of GDPR.
- c. Lack of EU harmonized bespoke and specific IOT regulation creates ambiguity for IOT providers and a number of risks for users of IOT devices.

14. Tokenization means:

- a. Admitting crypto tokens to trading on a centralized trading platform, like Binance or Coinbase.
- b. Converting rights in real world assets into digital tokens on a blockchain.
- c. Converting fungible rights and claims into non fungible digital tokens.

15. Initial Coin Offerings (ICOs)

- ~~a.~~ Have the advantage of high liquidity and low volatility, which gives them integrity and helps avoid market manipulation.
- b. Have the advantage of low entry barrier for capital raising for start-ups despite high regulatory uncertainty and volatility.
- c. Have the advantage of high valuation of underlying assets from which the tokens derive their value.
- d. Have the advantage of being available to accredited investors pursuant to recent regulations governing the ICOs.