

# Nerdie Blaq Academy — Beginner DeFi Certification Guide

## Introduction to Decentralized Finance

Decentralized Finance (DeFi) is a blockchain-based financial ecosystem that removes traditional intermediaries such as banks and replaces them with smart contracts. Instead of requesting permission from institutions, users interact directly with protocols through self-custodied wallets. In Nerdie City, DeFi knowledge is required because the city economy is built around ownership, staking, governance, and on-chain identity.

- Understand what a blockchain is
- Understand how smart contracts work
- Understand self-custody and wallet ownership
- Understand why DeFi is different from traditional finance

## Wallet Security and Self-Custody

Your wallet is the foundation of your digital identity. A wallet does not actually store cryptocurrency; it stores the private keys that allow you to control blockchain assets. Whoever controls the private key controls the wallet. This is why security is critical.

- Never share your seed phrase
- Never store seed phrases in screenshots or cloud notes
- Verify transaction prompts before signing
- Use hardware wallets for valuable assets
- Avoid connecting wallets to unknown websites

## Understanding Tokens and NFTs

Fungible tokens are interchangeable assets like currencies, while NFTs represent unique ownership. Inside Nerdie City, NFTs can represent certifications, business ownership, progression status, or future gameplay assets. Soulbound NFTs are non-transferable credentials tied directly to the operator wallet.

- ERC-20 tokens represent transferable value
- ERC-721 and ERC-1155 represent NFT ownership
- Soulbound NFTs prove achievements or qualifications
- Business NFTs unlock operational rights inside the city

## Liquidity, Markets, and Trading

Liquidity is the ability to buy or sell an asset without causing extreme price movement. In decentralized exchanges, liquidity is often supplied by users through liquidity pools. Understanding liquidity helps operators recognize market

health and avoid risky conditions.

- Liquidity pools are used instead of traditional order books
- Low liquidity can increase volatility and slippage
- Market psychology heavily impacts price movement
- Operators should understand both risk and opportunity

## **Staking and On-Chain Participation**

Staking is the process of locking assets into a protocol or system in exchange for rewards, access, permissions, or operational readiness. Within Nerdie City, staking is tied to activation states, trust systems, and future business scaling.

- Staking can unlock gameplay permissions
- Businesses may require minimum staking tiers
- Staking can affect trust and operational readiness
- Operators must understand lock periods and risk

## **Smart Contract Risks**

Smart contracts are powerful, but they are not risk-free. Poorly written contracts may contain exploits, rug-pull mechanics, or vulnerabilities. Operators should always verify contract addresses and understand the risks before interacting with new protocols.

- Read audits whenever possible
- Verify official contract addresses
- Avoid emotional decision-making
- Do not blindly approve wallet permissions

## **Applying DeFi Knowledge Inside Nerdie City**

The Beginner DeFi Certification proves that an operator understands the foundations required to safely interact with the city economy. This certification unlocks future academy pathways, advanced business types, and operational permissions.

- Unlocks future certifications
- Unlocks advanced business progression
- Acts as a trust signal in future systems
- Functions as a soulbound credential