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Simple Explanation:

? Self-Executing Agreements: A smart contract is an agreement that automatically enforces itself when specific conditions are met. It's a set of instructions written into code that runs on blockchain networks.

2. How They Work:

? Automated Execution: Once the conditions specified in the contract (X) are met, the smart contract automatically executes the agreed-upon actions (Y), without any human intervention.

? Secure & Transparent: These contracts are secure, transparent, and immutable. Everyone involved can verify the contract's logic and outcomes, ensuring trust in the process.

3. Real-World Example:

? Buying a Car: You make an offer to buy a car, and the seller accepts (X). The smart contract automatically transfers the car's token to your wallet and sends the payment to the seller (Y). Within seconds, you're the owner, and the seller has the money—no need for manual transactions or paperwork.

4. Future Example:

? Bridging Bitcoin to Stellar: When a specific event happens. e.g., PBFT (X). It triggers the smart contract. The contract automatically bridges Bitcoin into Stellar (Y).

5. Why Smart Contracts Matter:

? Cost-Effective: They eliminate the need for intermediaries, reducing costs and the potential for human error.

? Versatile Applications: Smart contracts can automate transactions, manage supply chains, execute decentralised finance (DeFi) protocols, and more—revolutionising how agreements are made and enforced.

6. How to Teach Others:

? Use Simple Analogies: Compare a smart contract to a vending machine—if you insert the correct amount of money (X), it automatically delivers the item you selected (Y).

? Focus on Automation: Emphasise that smart contracts execute agreements automatically, making processes more efficient and trustworthy.

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