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SMART CONTRACT - A REVOLUTION IN THE CONTRACT LAW OR A SUBSTITUTE CONSTRUCT?

Summary

The development of information technologies offers a handful of opportunities for innovative phenomena, including a smart contract - a decentralized system that works using blockchain technology. The concept of the smart contract as a modern solution incorporates more dimensions of technology that create (legal) relations between its authors and the contracting party where numerous dilemmas of the legal shaping of this digital document occur. In order to shed light on the real place of smart contracts in the legal system and their impact on traditional legal patterns, the paper presents the central characteristics of the smart contract that distinguish it from classical. These characteristics further serve to display potential areas in which a very likely smart contract will have a wider application, as well as to point out shortages that can occur during its workmanship and execution. At the same time, the advantages and restrictions of the application of smart contracts are pointed out by an explanation of imaginary smart contract applications on a real example from court practice, and by clarifying the principle of invading the smart contract on the example of the DAO Fund.

Keywords: *blockchain, contract law, smart contract, decentralization, self-execution.*

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