

# Blockchain: Understanding Smart Contracts

Smart contracts are best suited to execute somewhat rudimentary legal tasks, which typically involve transferring funds or imposing financial penalties when certain conditions are satisfied, explain Maria Alicia “Fernandez and Guillermo Gonzalez Frankenberger of Hogan Lovells.

“However, as the applications of blockchain and the assets controlled by it expand, the use of smart contracts is likely to become more complex and legally sophisticated,” they write in the firm’s **Real Estate Horizons**.

“Notwithstanding its promising applications, There are concerns that need to be addressed before the wide- spread application of smart contracts,” the authors explain.

**Read the article.**