

# Contact Examples

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## 1 Betting Contract

- Two parties engage in a betting contract mutually agreeing that the contract acts as a third party between two trustless parties.
- Both parties will agree to pledge the agreed amount outlined in the contract.
- Once the event detailed in the contract has occurred, the losing party transfers the amount pledged in the contract to the winning party.
- Once the contract conditions have been satisfied, neither parties can dispute the outcome.

## 2 Zero Coupon Bond Contract

- Two parties engage in a contract where by an agreed amount in a certain currency is to be transferred by one party to the other on a specified date.
- This contract specifies that past a date that is outlined in the contract, it cannot be acquired or it has expired.

## 3 European Options

- A European option contract allows one to choose between two contracts which one they will acquire.
- Once the European contract is acquired the holder must decide which contract within the option contract to acquire.
- The contract consists of a time horizon for each. Once a time horizon for one has elapsed, the holder can then only choose the contract whose time horizon has not elapsed.
- Once a contract has been picked, the conditions in that contract determine the amount to be transferred and on what date.