

## ✓ Congratulations! You passed!

Grade received 100% To pass 100% or higher

[Go to next item](#)

1. What is the relationship between smart contracts and the traditional legal system?

1 / 1 point

- ☐ Smart contracts make traditional legal contracts obsolete
- ☐ Smart contracts are designed to be legally binding
- ☒ Smart contracts and traditional contracts are complementary, and work best in tandem
- ☐ Smart contracts serve as compliance checkers for traditional contracts

✓ **Correct**

Wet code and dry code are complementary; a smart contract mimics or improves upon the effects of a traditional legal contract.

2. How does *performance verification code* assist in resolving smart contract breaches?

1 / 1 point

- ☐ It enables a single party to reverse the contract after it has been executed
- ☒ It detects a failure in execution and will seize the on-chain collateral of whoever breached the contract as payment for damages
- ☐ It automatically generates a negative review during the post-performance incentivization phase for whoever breached the contract
- ☐ All of the above

✓ **Correct**

Performance verification code is one of the programming options available to deal with contract breaches.