

# LEXICON

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**Smart contract:** Computer code that, upon the occurrence of a specified condition or conditions, is capable of running automatically according to pre-specified functions. The code can be stored and processed on a distributed ledger and would write any resulting change into the distributed ledger.



**Smart legal contract:** A smart contract that articulates and is capable of self-executing, on a legally-enforceable basis, the terms of an agreement between two or more parties.



**Distributed ledger:** Computer software that employs a shared database architecture to maintain multiple, identical copies of an auditable, up-to-date distributed digital record of transactions or data.



**Blockchain:** A specific type of distributed ledger technology that organizes data into blocks that are “chained” together chronologically by a cryptographic hash function and confirmed by a consensus mechanism.



**Public blockchain:** A blockchain that allows anyone with the appropriate computing capability to submit messages for processing, be involved in the process of reaching consensus, or otherwise participate in the network. The Bitcoin blockchain is an example of a public blockchain.



**Private blockchain:** A blockchain whose participants are pre-selected or subject to gated entry based on satisfaction of certain requirements or on approval by an administrator.v



**Blockchain-based asset:** An asset that consists solely of a digital token on a blockchain.



**Tokenized asset:** An asset that consists of intangible or tangible property apart from a blockchain, such as real or chattel property or a legal interest in some asset, but which is represented by a token on a blockchain.



**Virtual currency:** A medium of exchange that operates like a currency in some environments, but that does not have all the attributes of fiat currency, in particular that does not have legal tender status in any jurisdiction.



**Virtual currency wallet:** A software application or other digital mechanism for holding, storing, and transferring a virtual currency.



**Public/private key signature:** A method of ensuring data integrity and origin authenticity that uses a party's private key to sign and its corresponding public key to verify the validity of its signature.