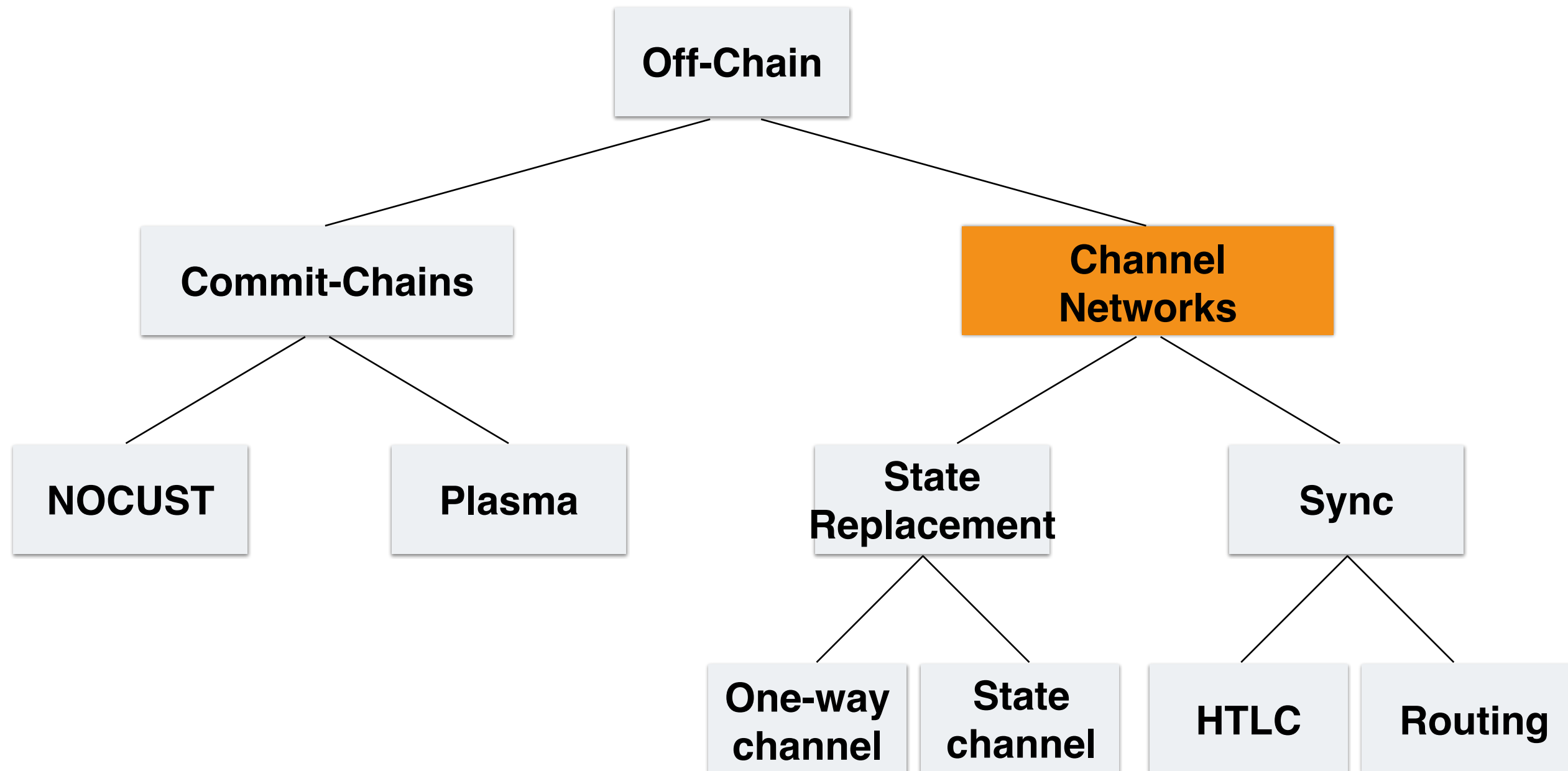




Channel Networks

Which Off-Chain Solution?



Payment Channel

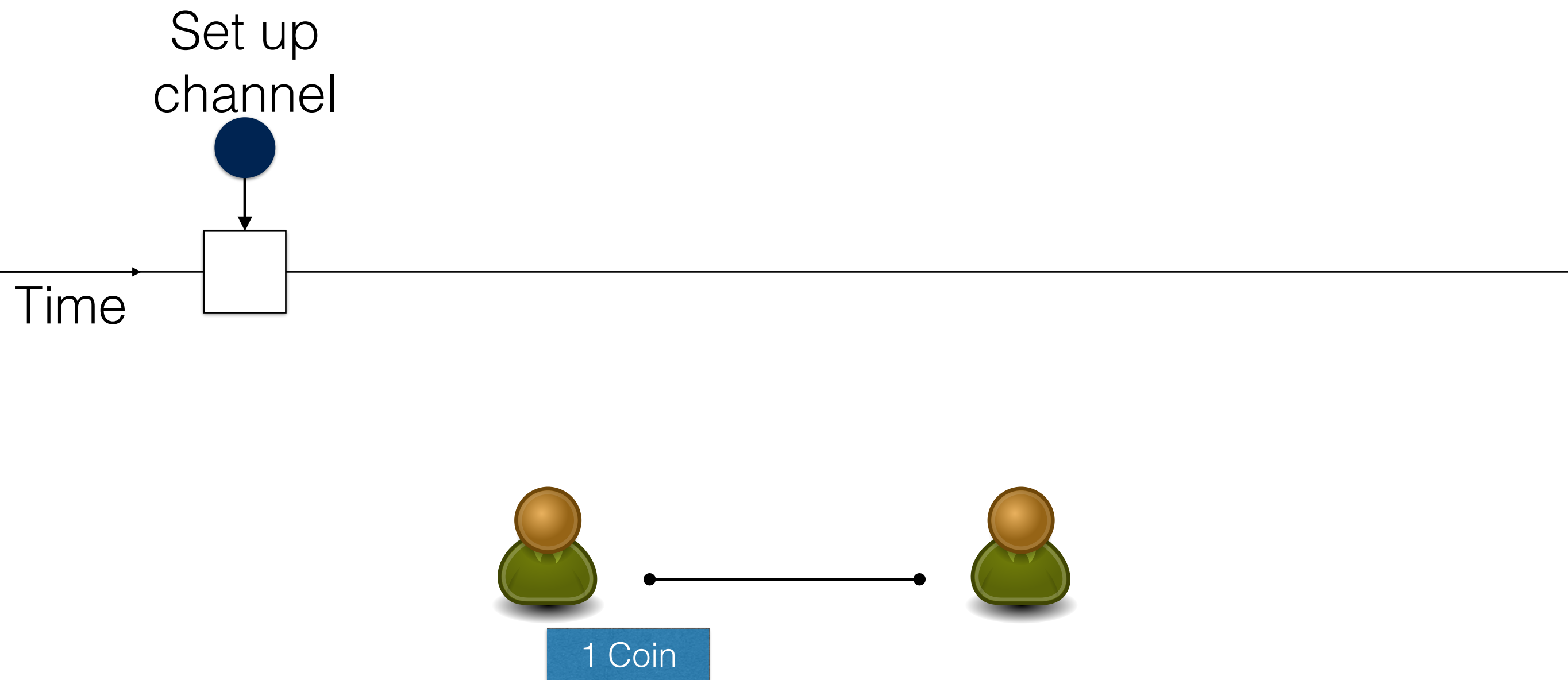
Time →



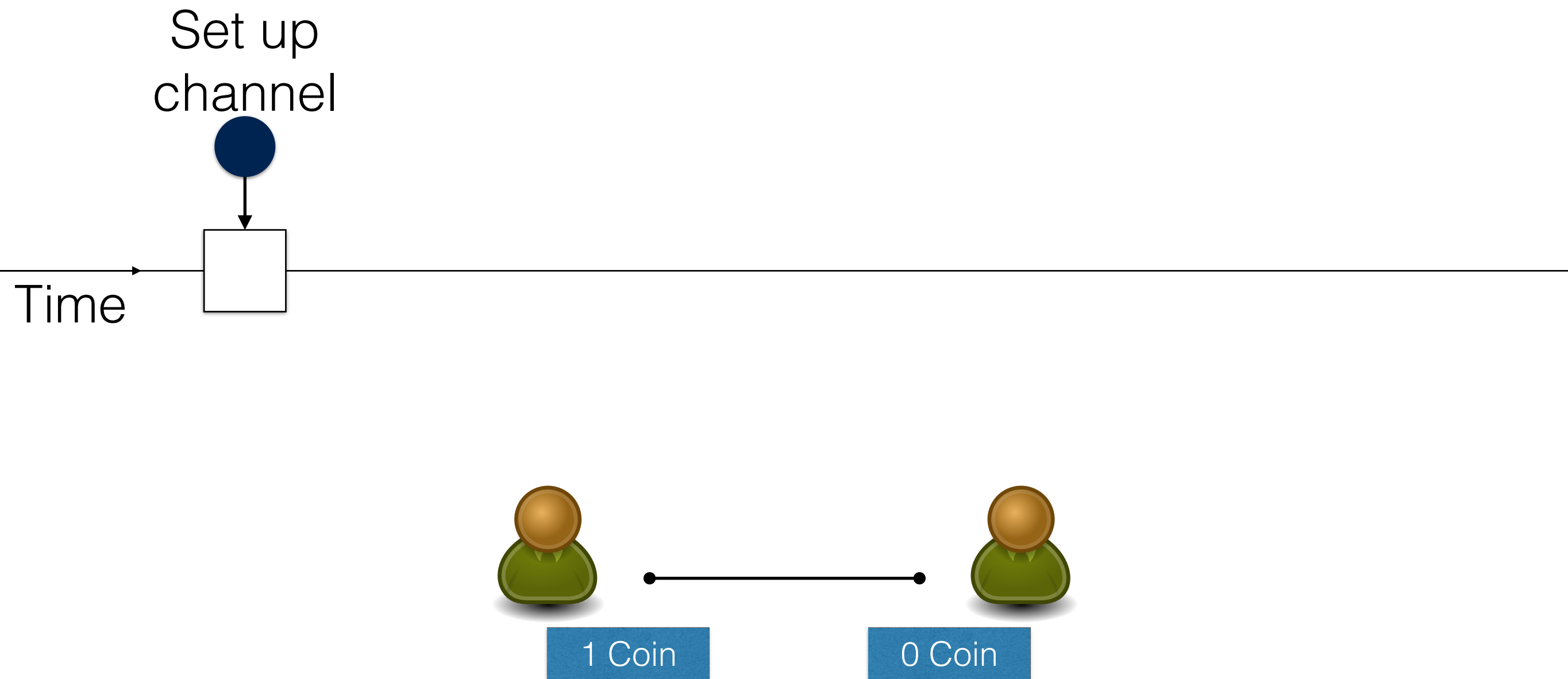
Payment Channel



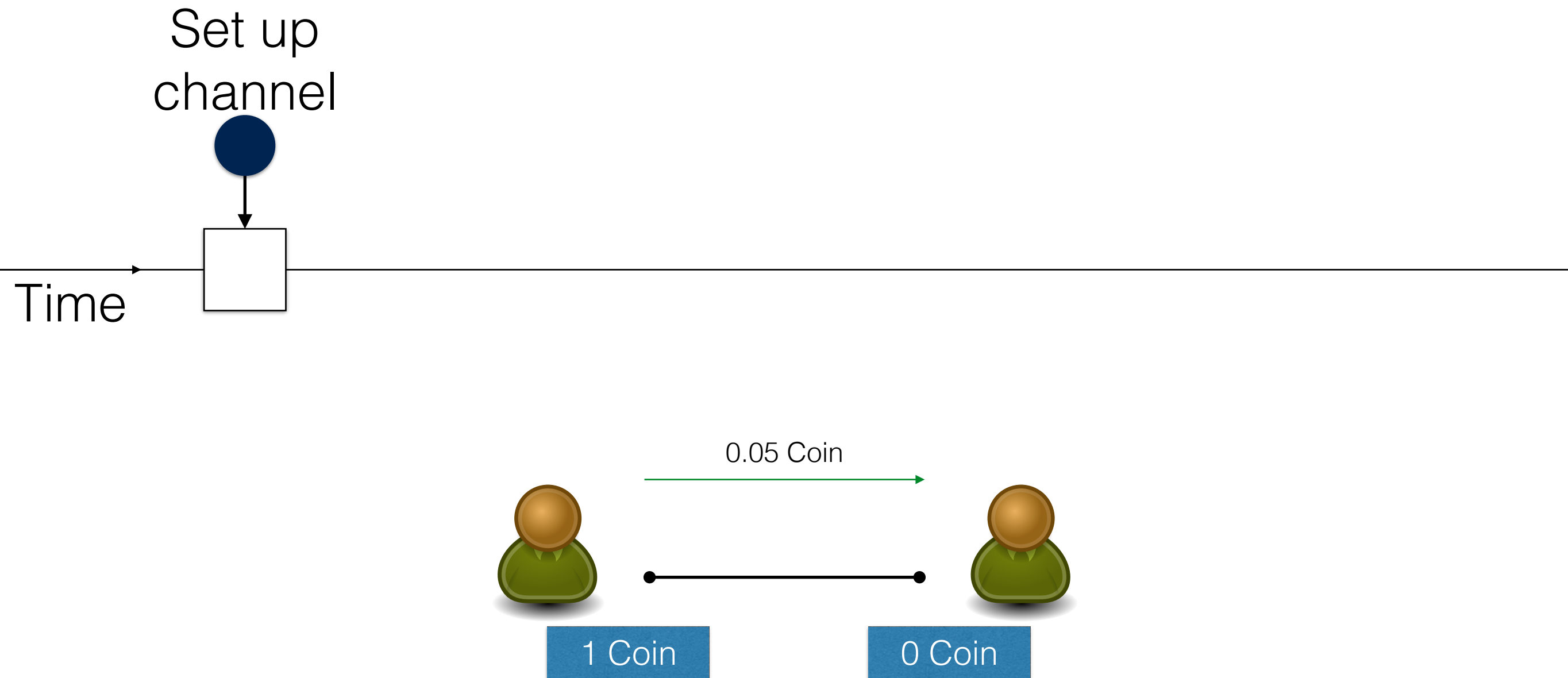
Payment Channel



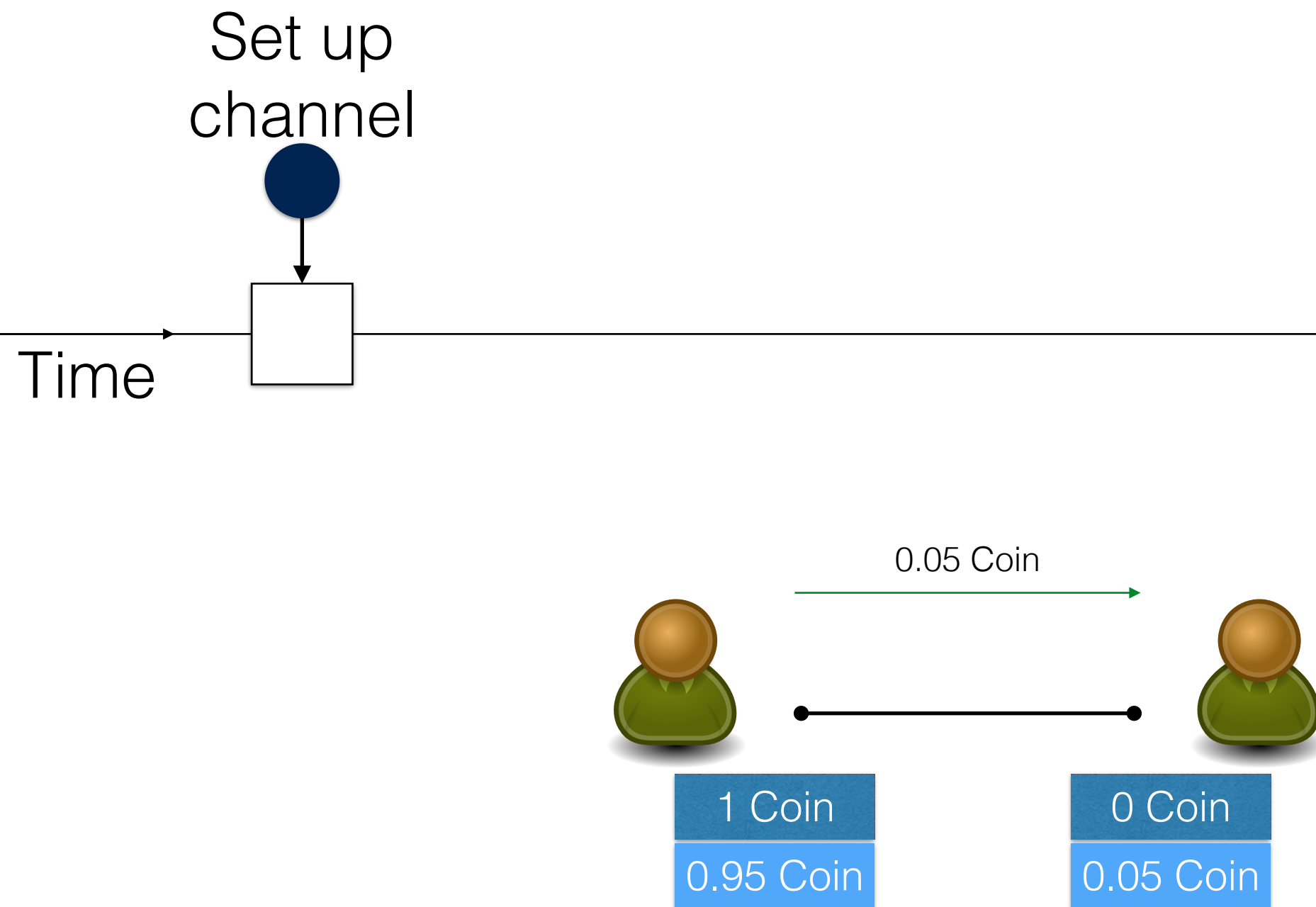
Payment Channel



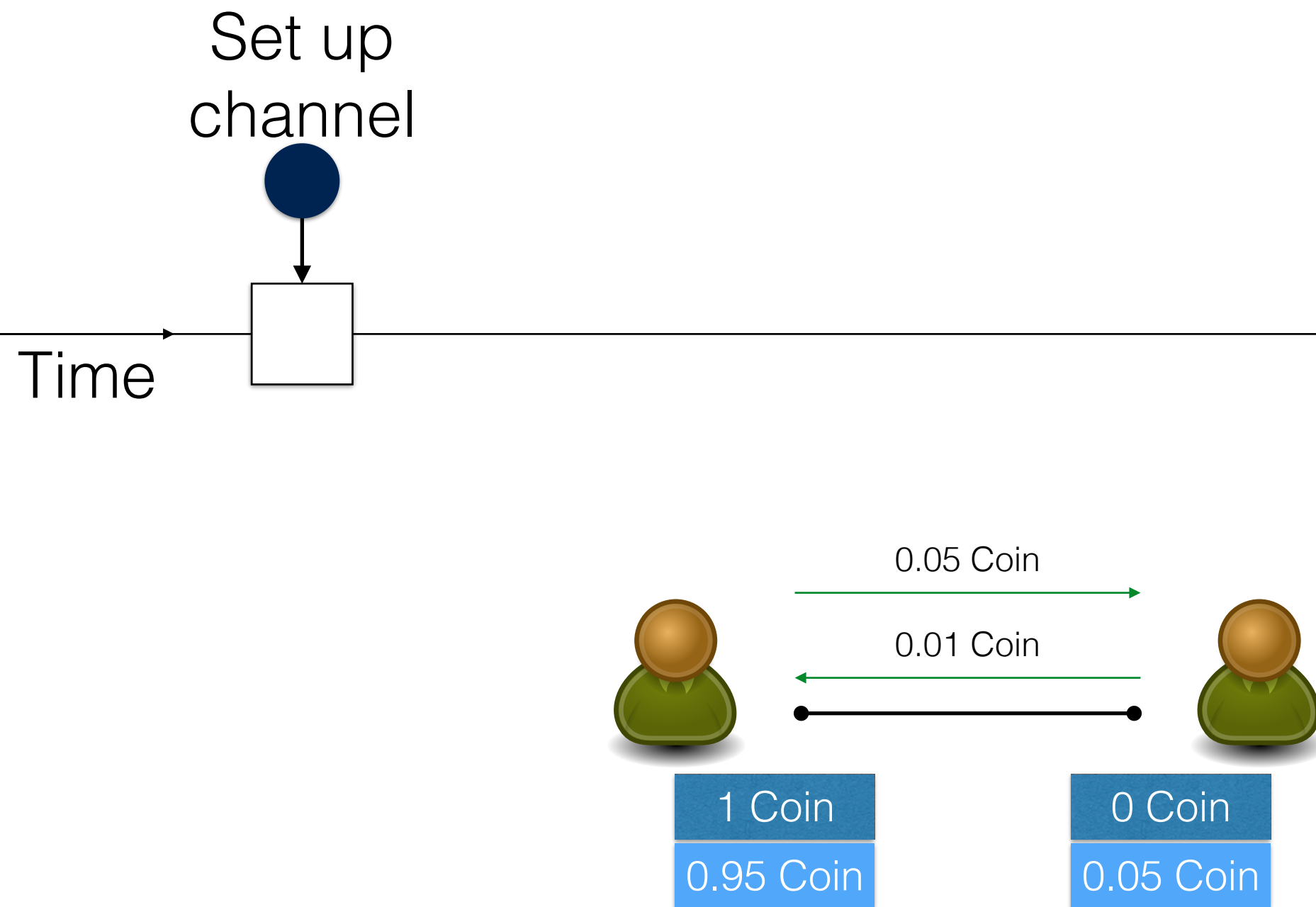
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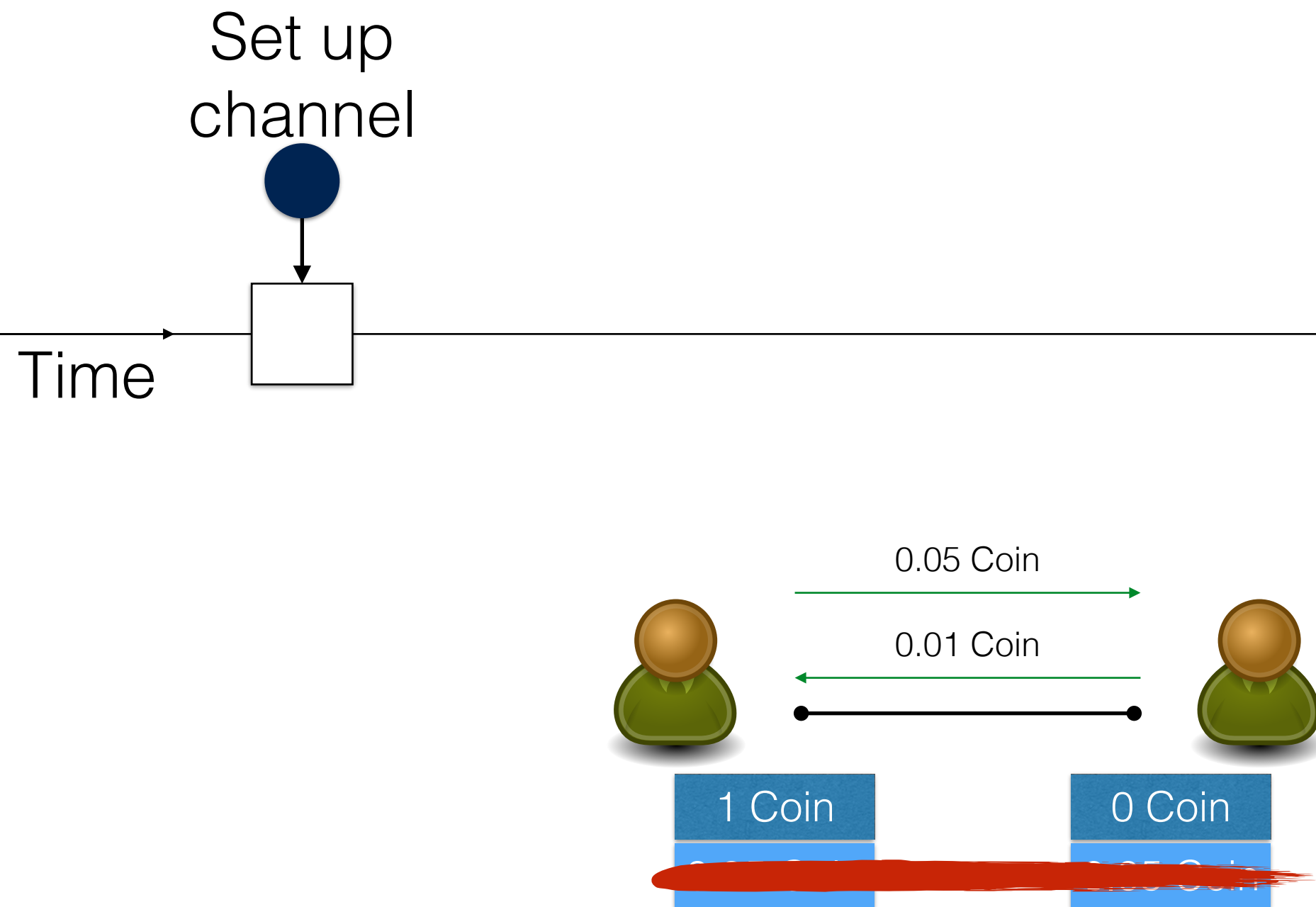
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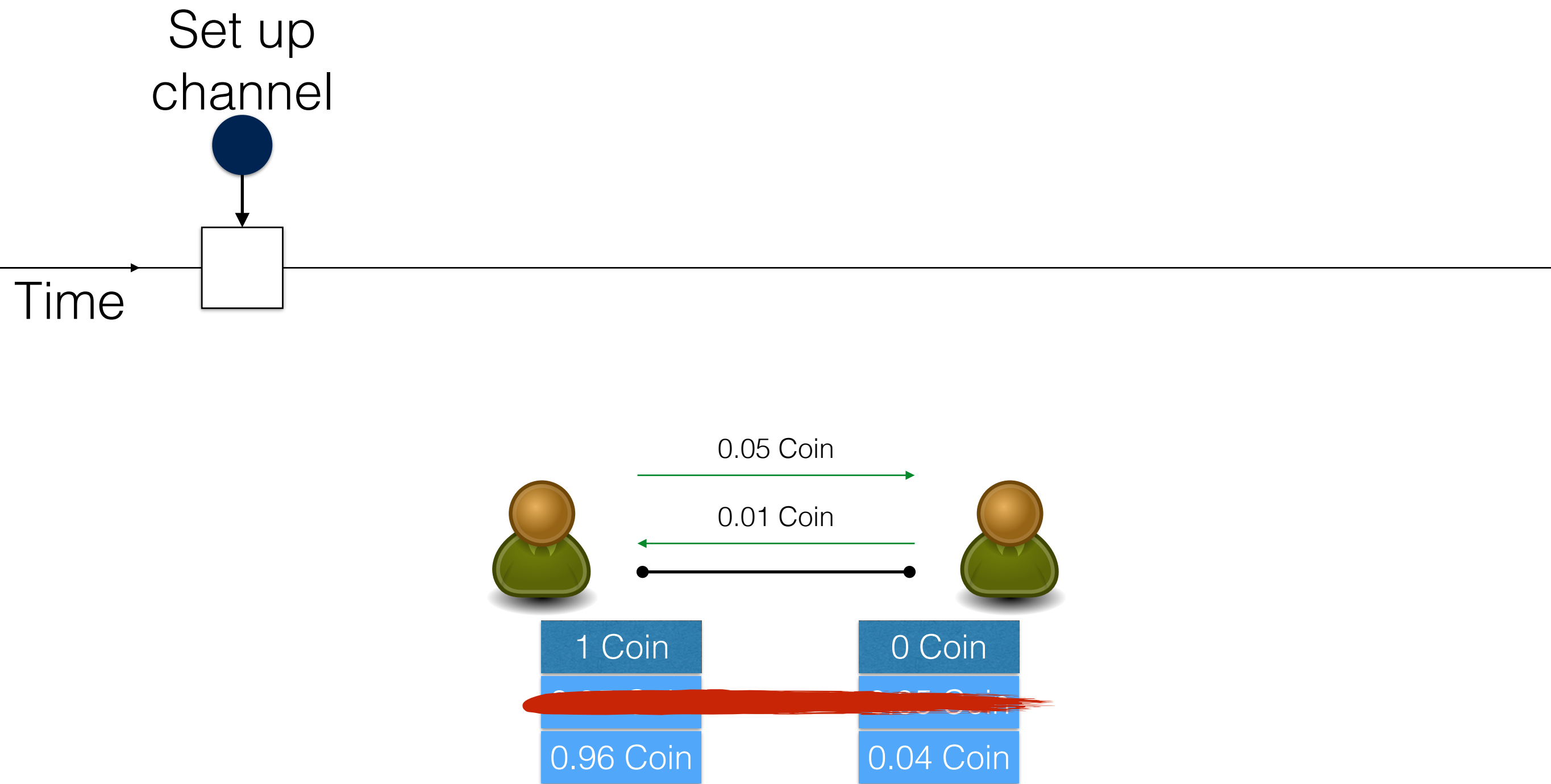
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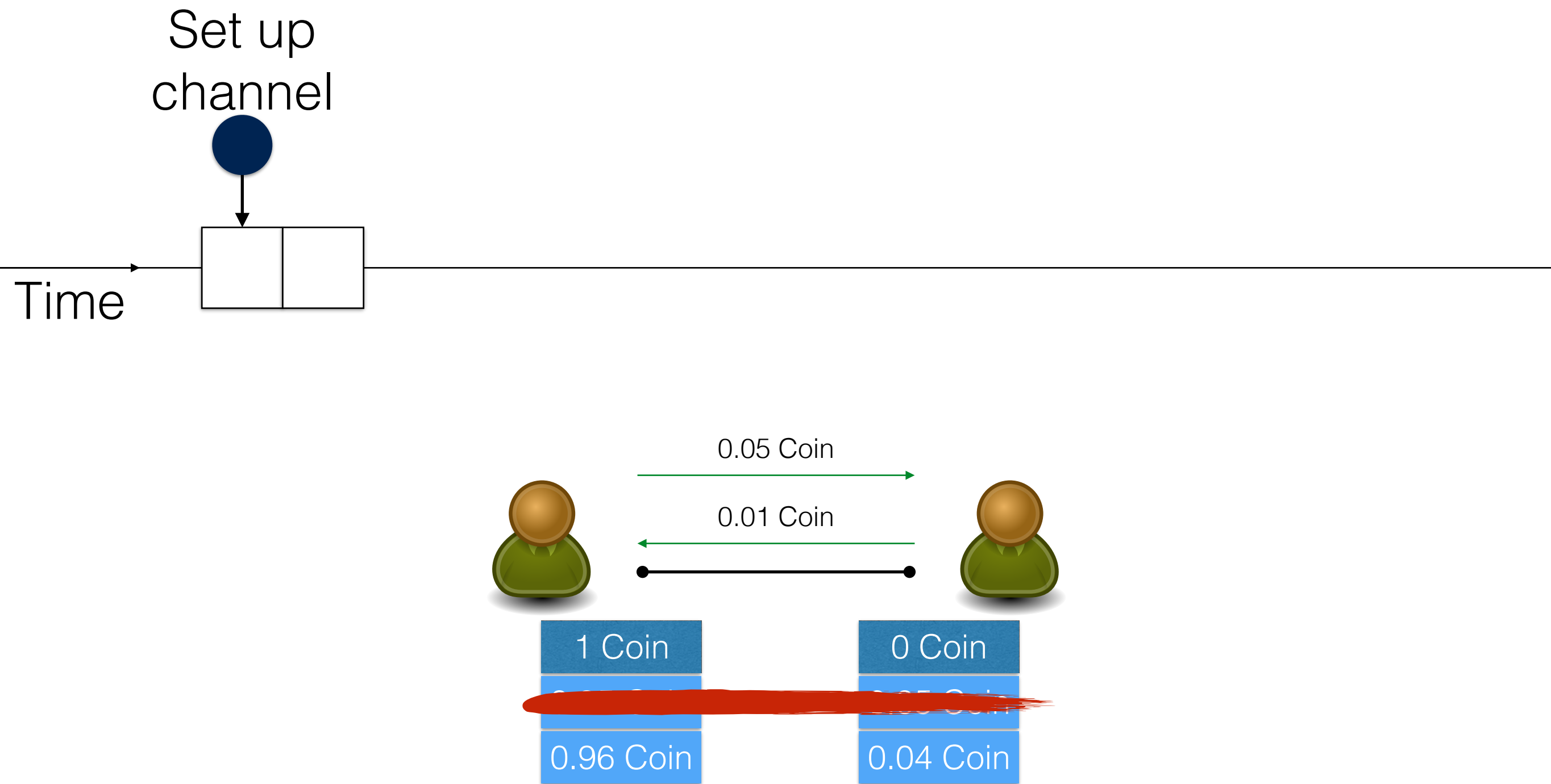
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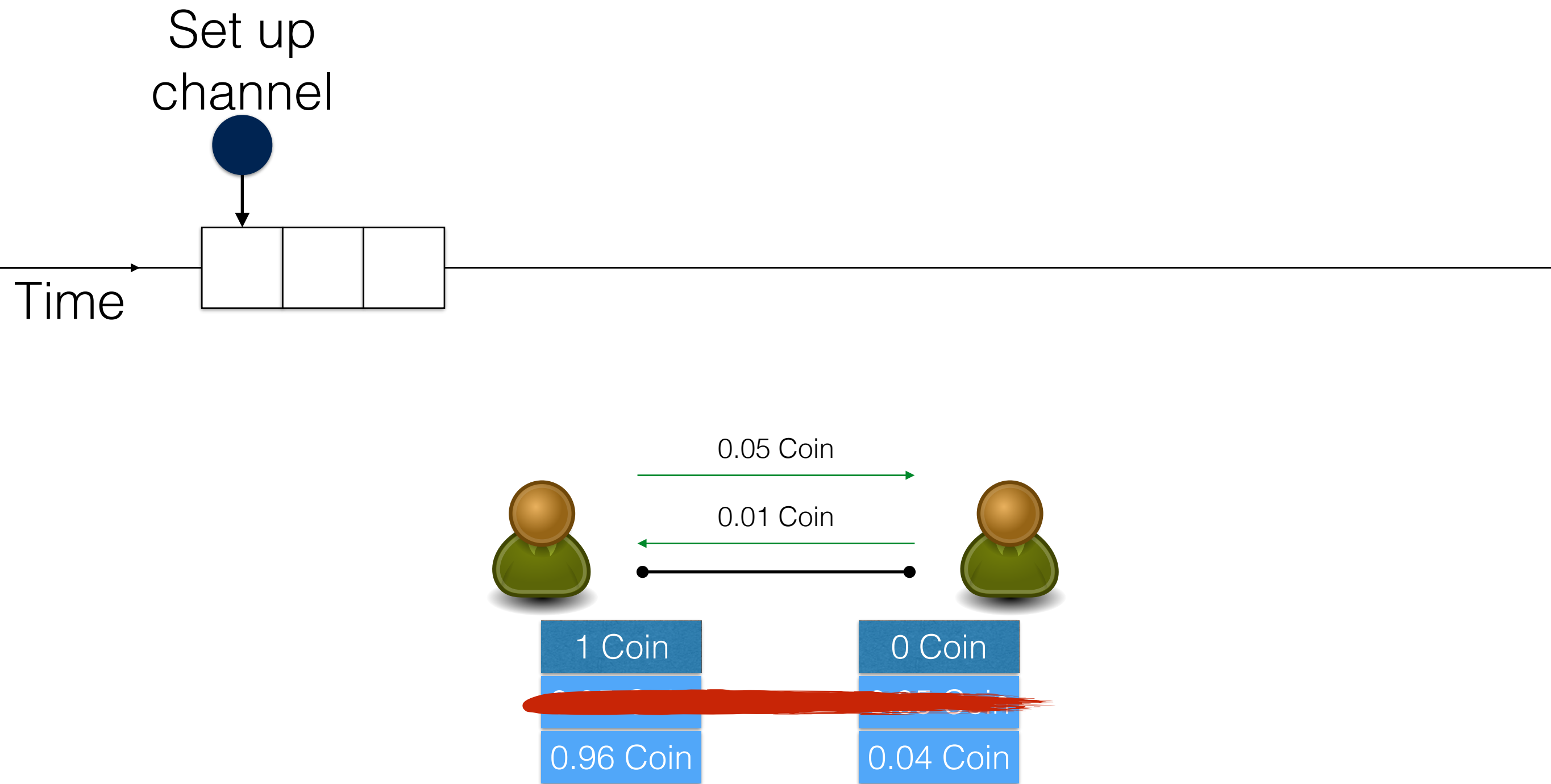
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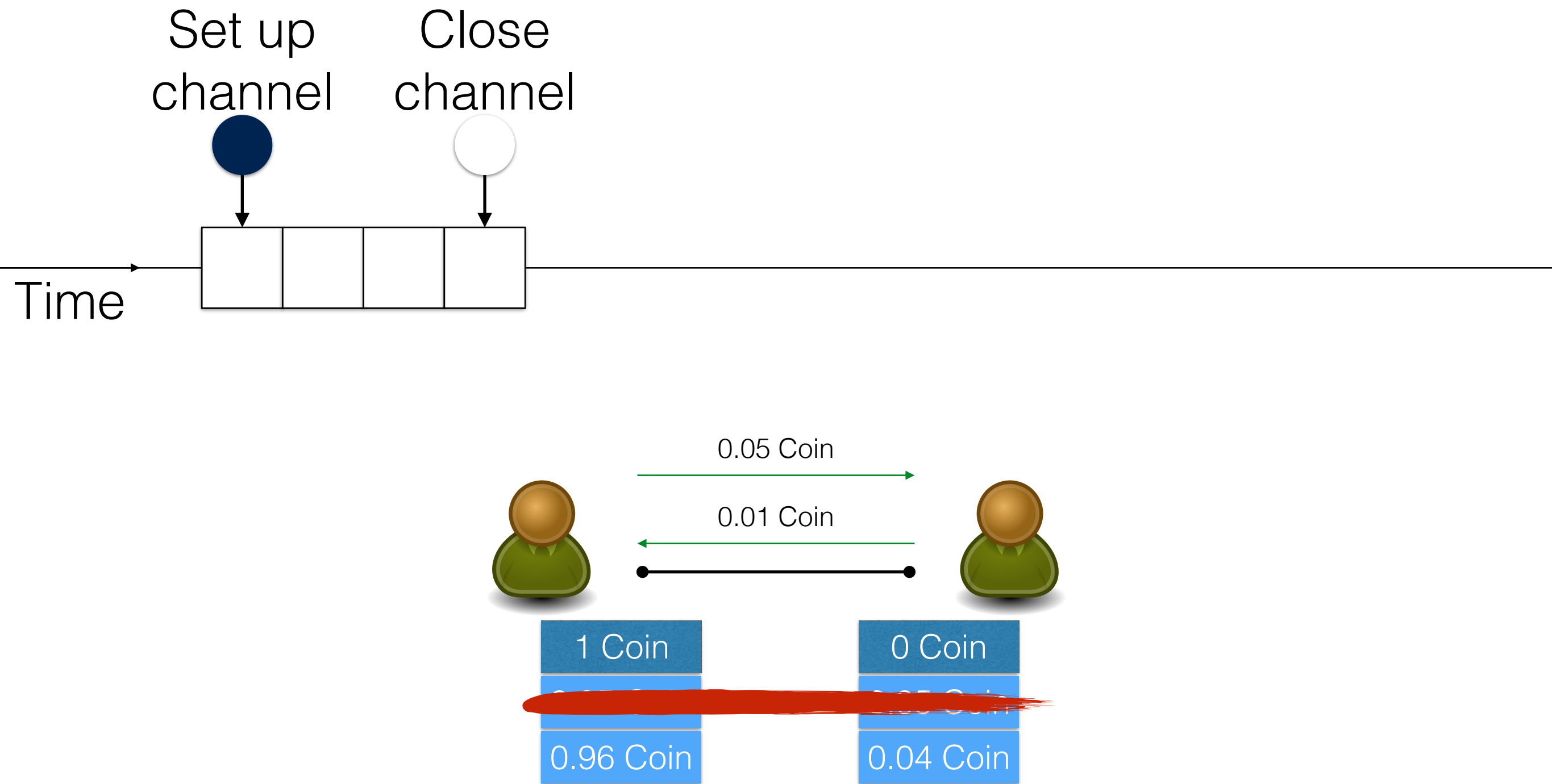
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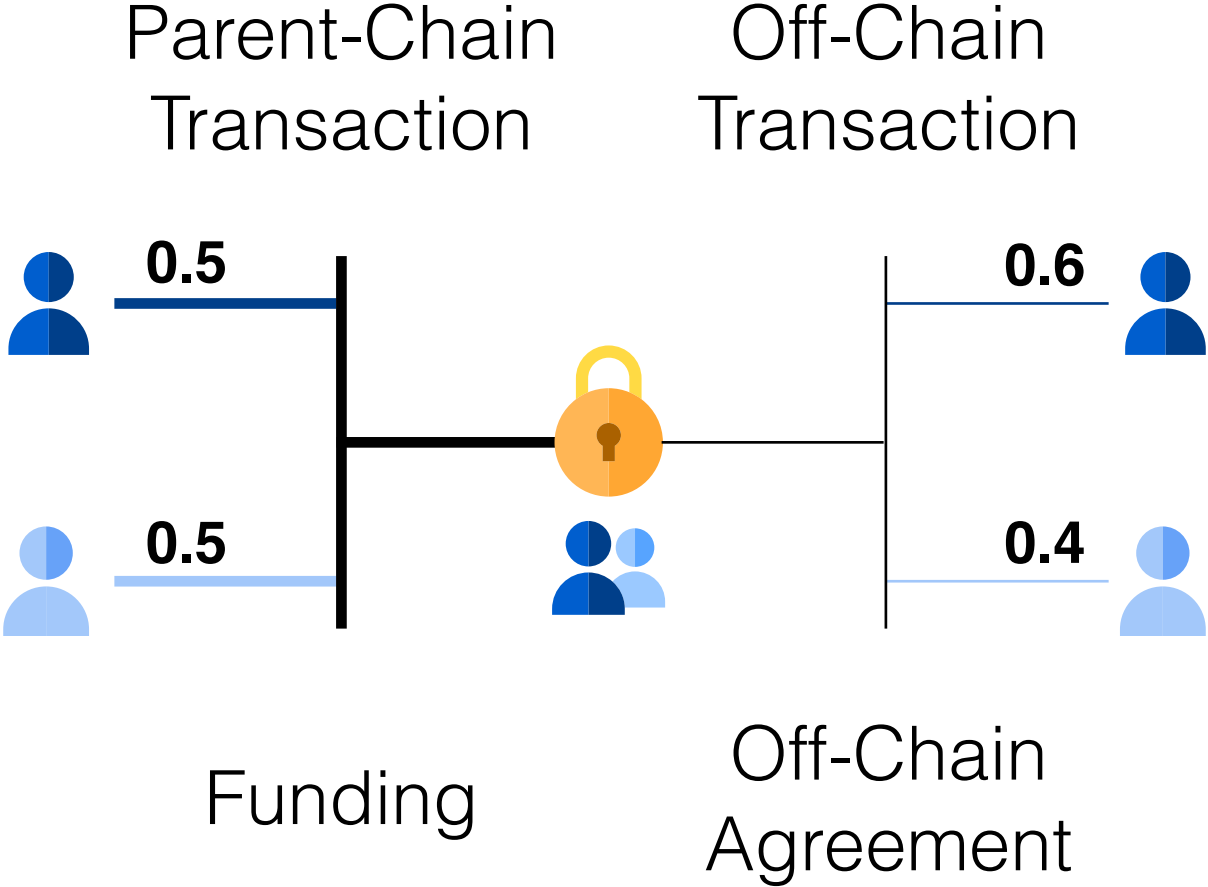
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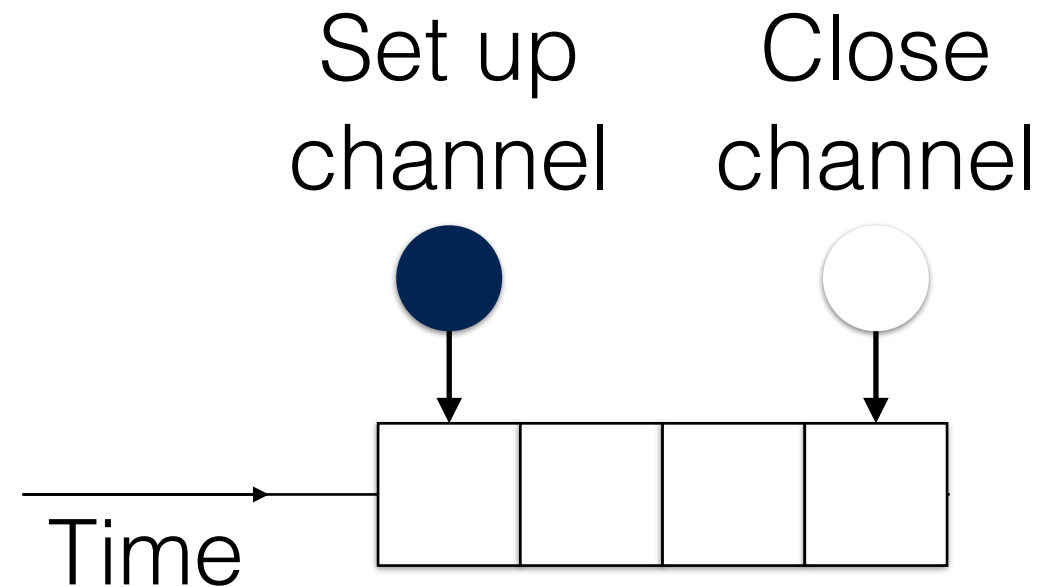
Payment Channel



Payment Channel



Payment Channel Properties



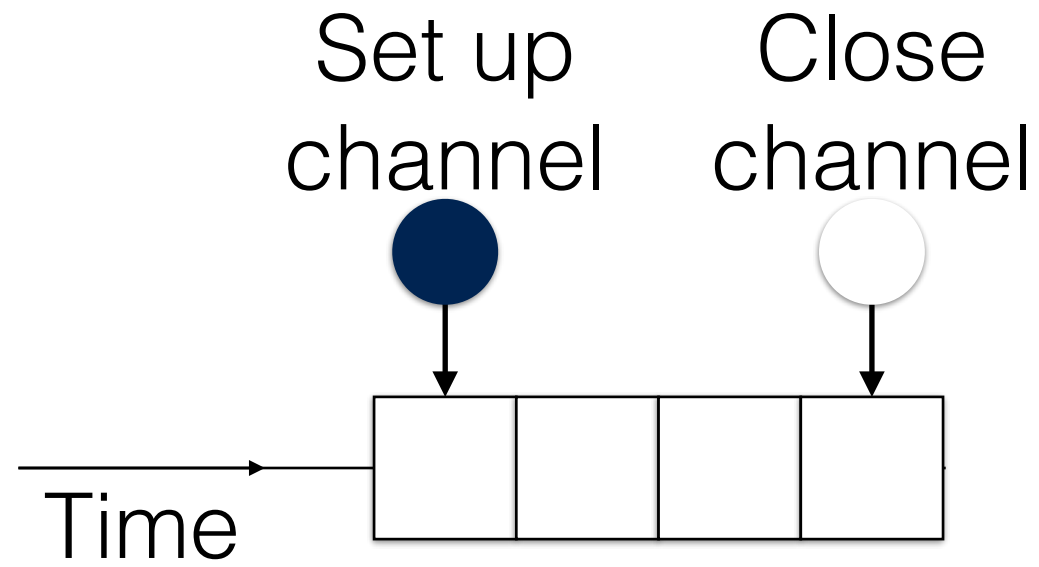
- **Balance Security:**

Any party can always withdraw the agreed balance on-chain with a dispute.

- **State Progression:**

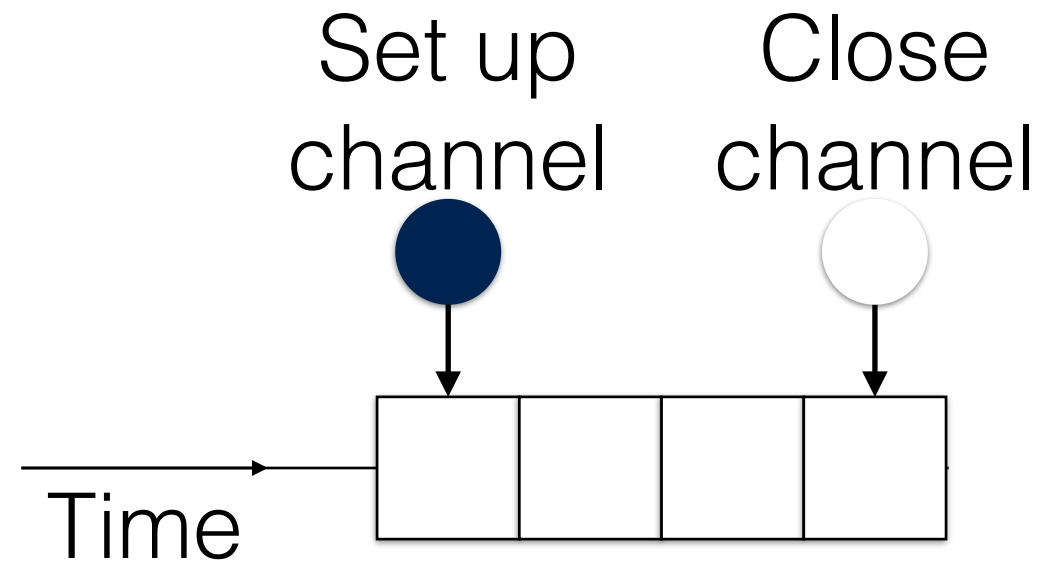
Any party can enforce a state transition on-chain to reach a terminal state.

Payment Channel



- Unanimous Establishment
- Unanimous Transition (without dispute)

Payment Channel

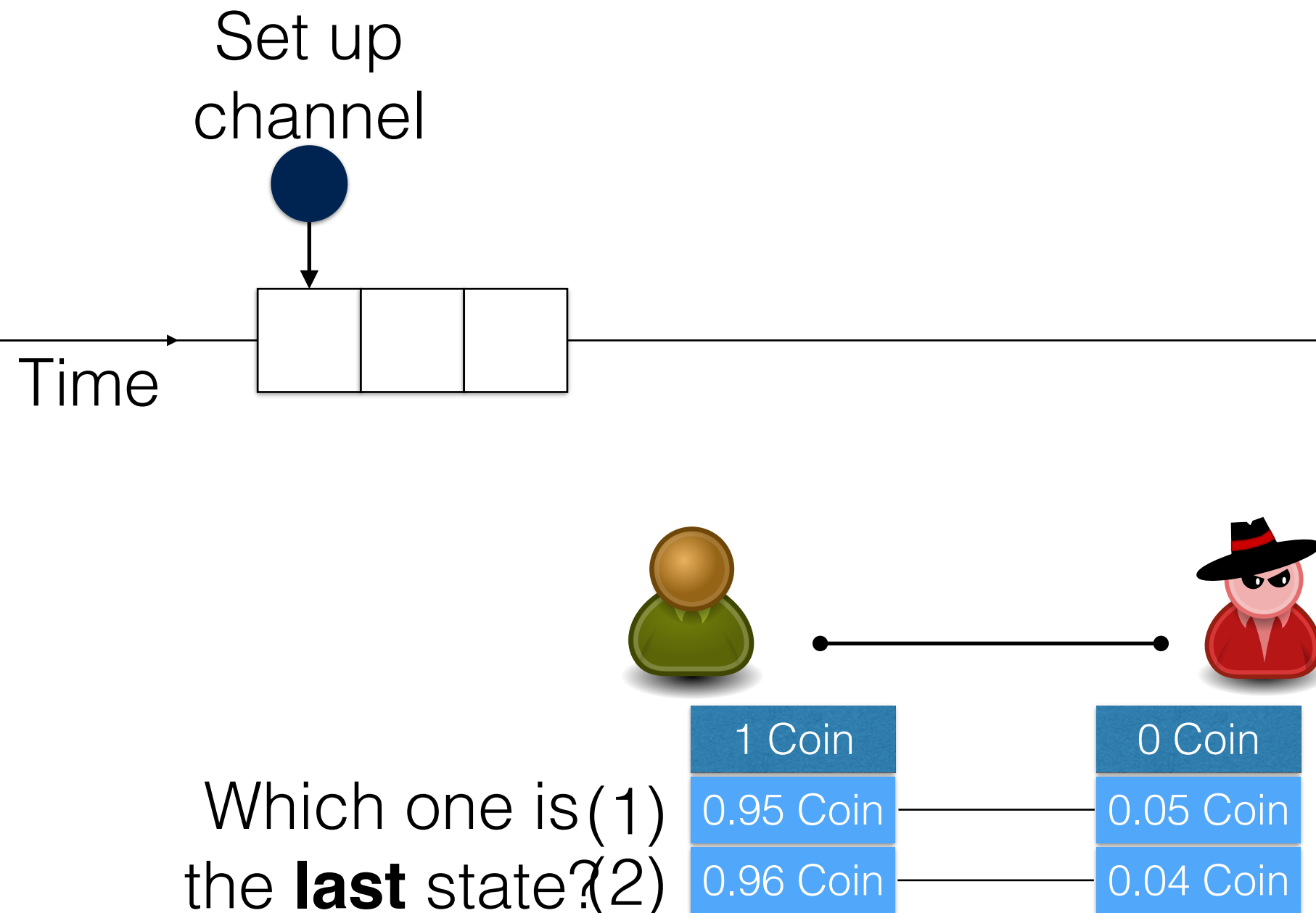


- Unanimous Establishment
- Unanimous Transition (without dispute)

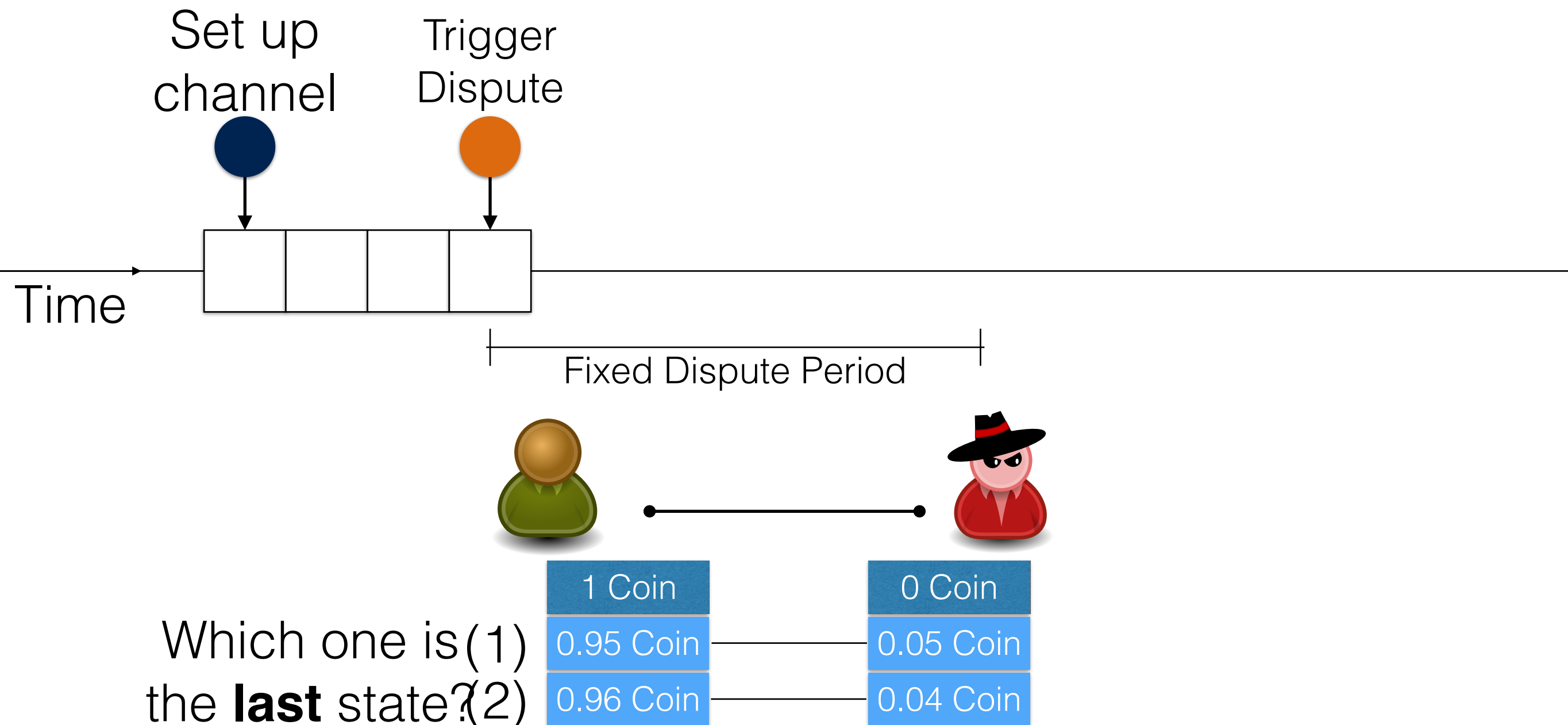


What if the parties do not agree?

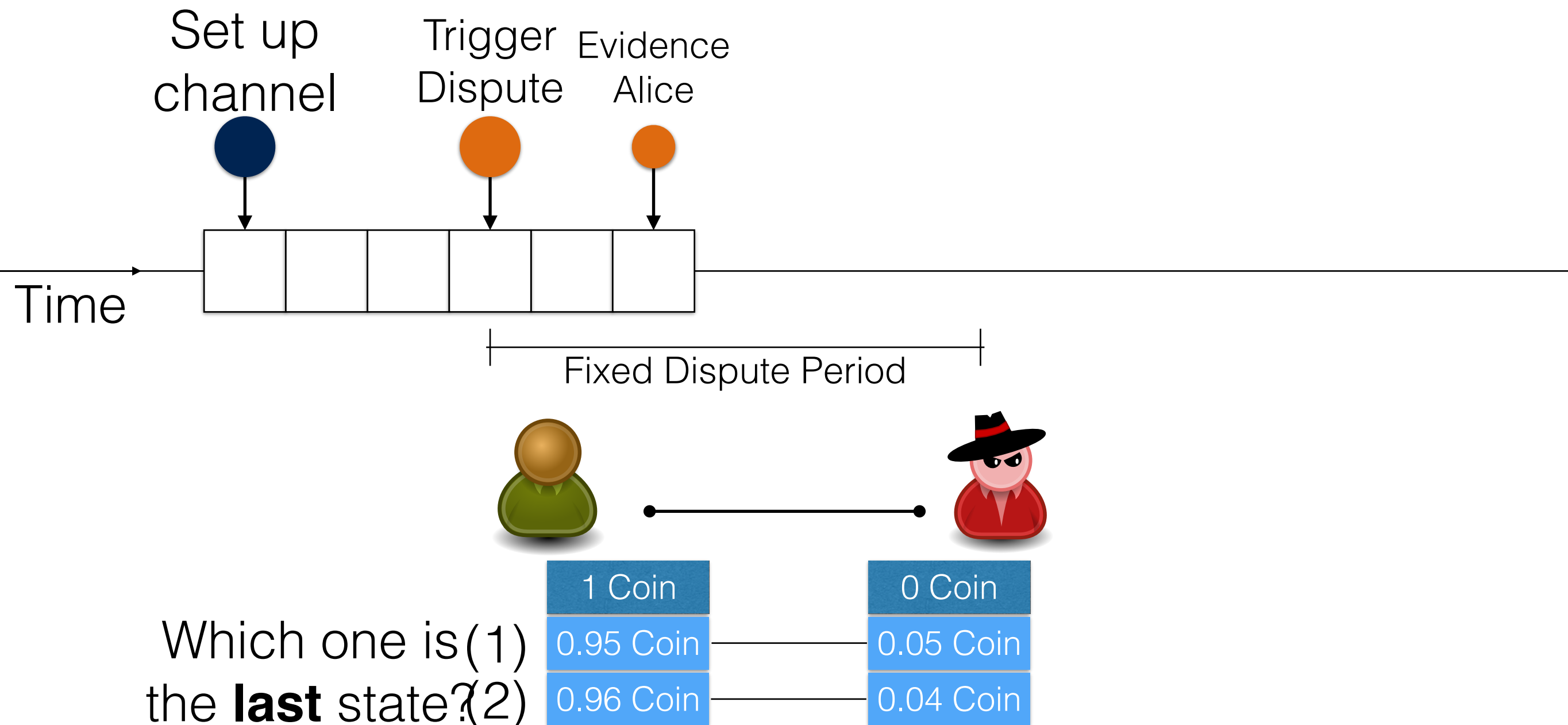
Payment Channel - Dispute



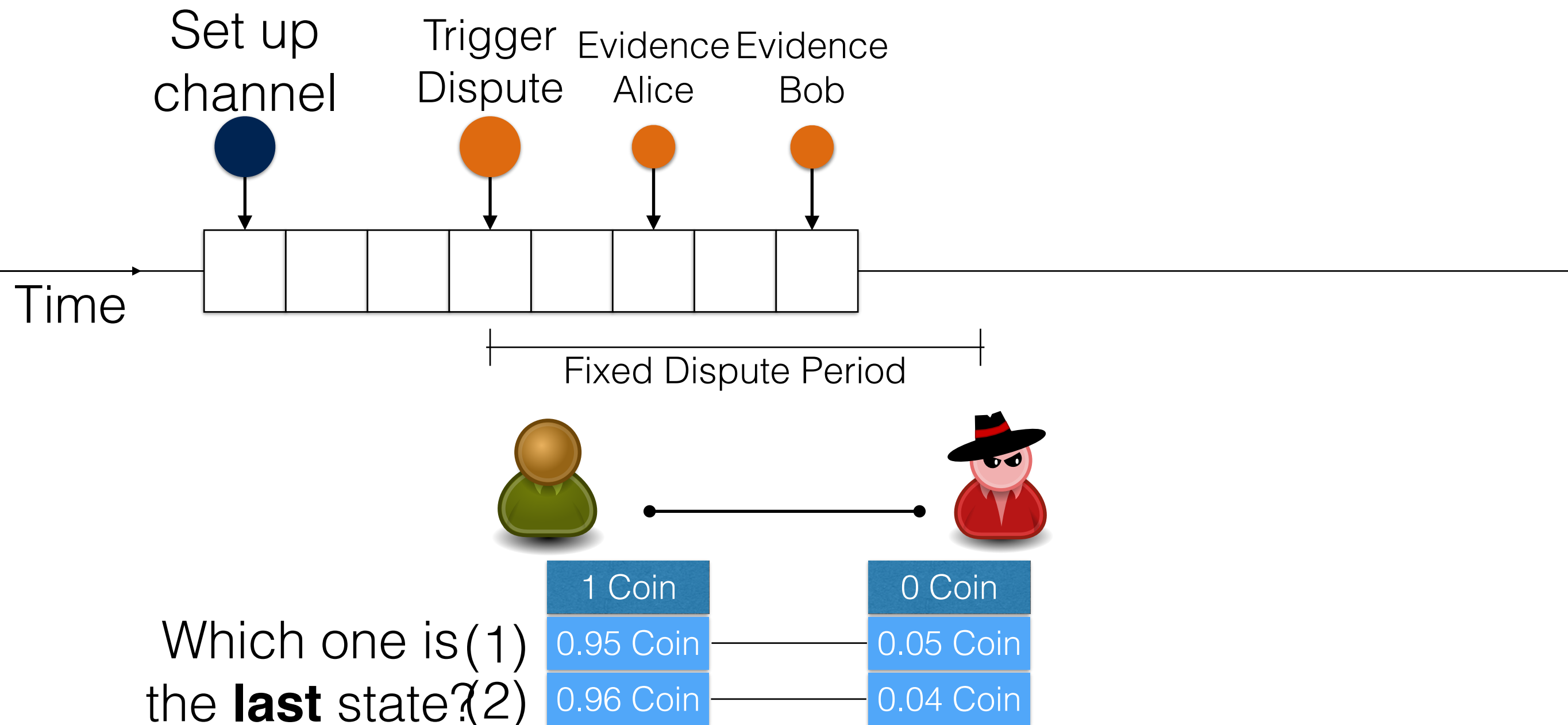
Payment Channel - Dispute



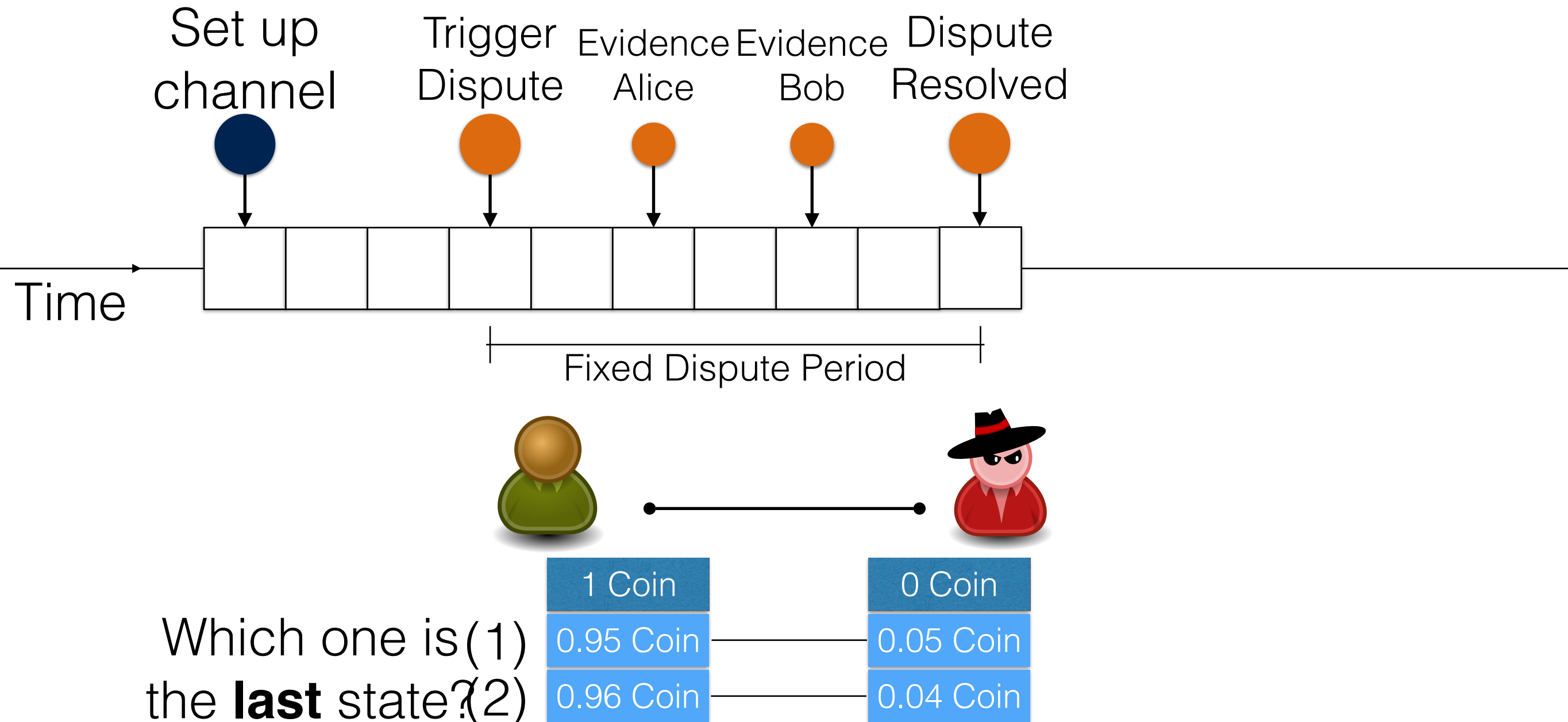
Payment Channel - Dispute



Payment Channel - Dispute



Payment Channel - Dispute



Payment Channel - Dispute

