



State Channels

Bi-Directional State Channels and Conclusion

Objectives



Objective

Explain what bi-directional state channels are



Objective

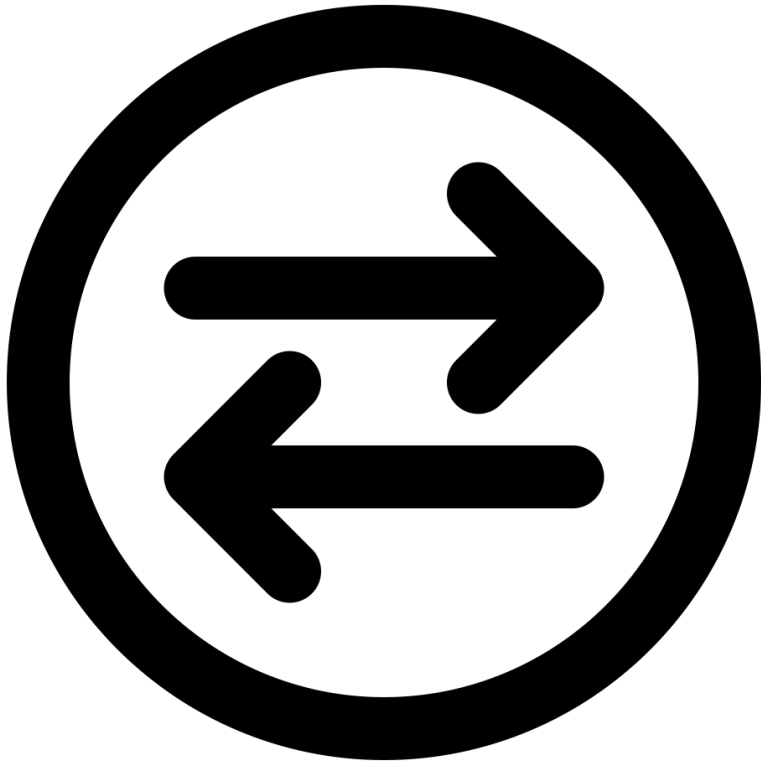
Explain the protocol for a basic time-based bi-directional payment channel



Objective

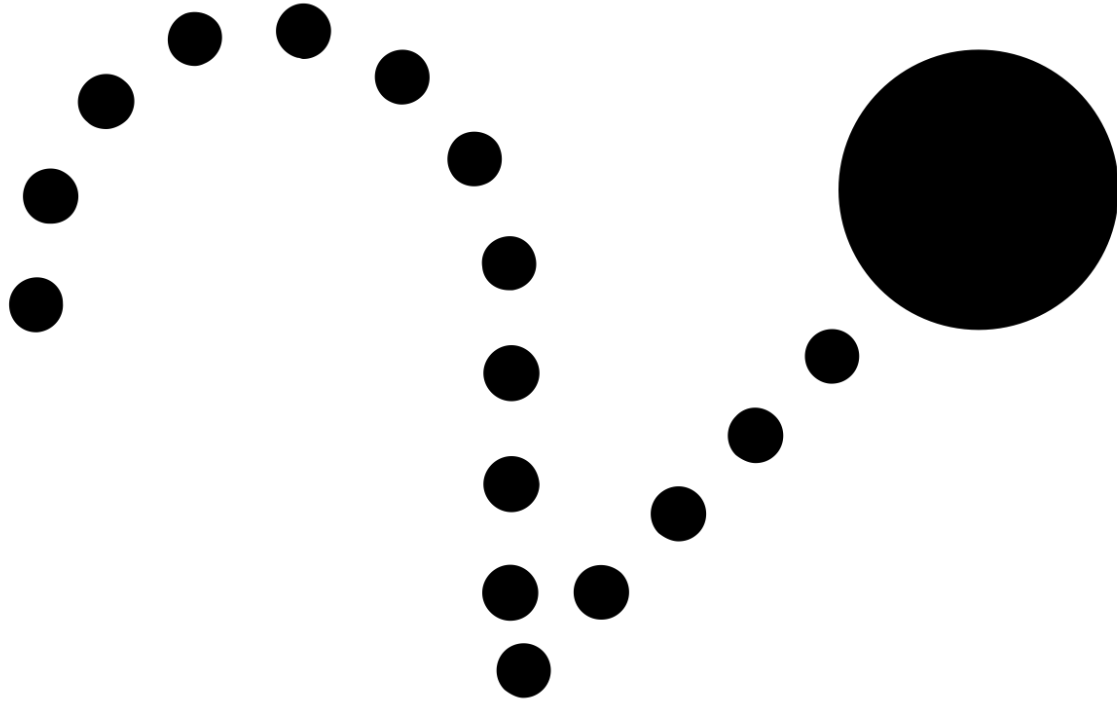
Identify the limitations of state channels

Bi-Directional State Channels

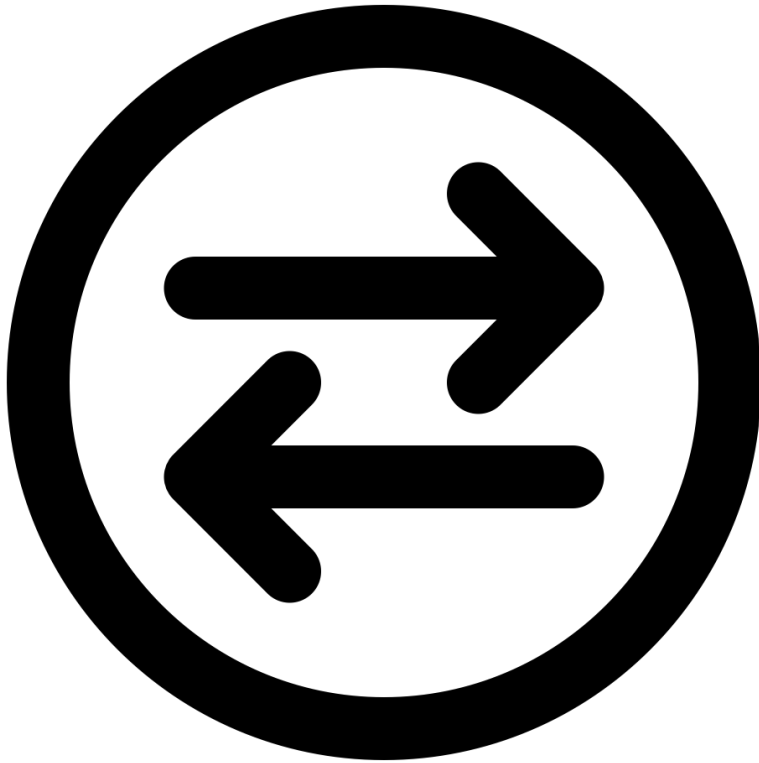


Funds sent to and
from two parties

| An example protocol for a basic time-based bi-directional payment channel is illustrated in the animation that follows.



Bi-Directional State Channels, cont'd



| All intermediary
transactions TimeLocked

Limitations

| Required use of
TimeLocks

| Restrictions of
time-nesting

