```
MODULE htlc
```

Specifications for the HTLC sending and forwarding. The protocol is composed of actions like initiate, update, expire. These actions specify how the state of each node and the balance on each channel is allowed to change in response to handling HTLC messages

```
\begin{array}{c} {\rm EXTENDS} \ Integers, \\ TLC \end{array}
```

CONSTANTS Node, Channel, InitialBalance

Channels are unidirectional in the spec. This helps us track states and balances for the purposes of the specifications. Channel balances are tracked for sender. htlc balances are tracked for receiver. VARIABLES  $htlc\_states$ ,

 $channel\_balances, \\ htlc\_balances$ 

```
vars \triangleq \langle htlc\_states, \ channel\_balances, \ htlc\_balances \rangle update\_states \triangleq \{ \text{"ready"}, \\ \text{"pending"}, \\ \text{"in\_latest\_commit\_tx"}, \\ \text{"prev\_commit\_tx\_revoked"} \}
```

Initialise channels and htlc with a balance and ready state

 $TypeInvariant \triangleq$ 

channels are between nodes

 $\land \ Channel \in Node \times Node$ 

channel balance on the sender side. Balance on  $\langle m, n \rangle$  notes outstanding htlc balance for m.

 $\land channel\_balances \in [Node \times Node \rightarrow InitialBalance]$ 

outstanding htlc balance on receiver side. Balance on  $\langle m, n \rangle$  notes outstanding htlc balance for n

 $\land htlc\_balances \in [Node \times Node \rightarrow InitialBalance]$ 

channels htlc state

 $\land htlc\_states \in [Node \times Node \rightarrow update\_states]$ 

When invoked on channel  $\langle a, b \rangle$ . The commit transaction of b is affected. We simply track the outstanding htlc balance and don't model the entire commit transaction.

```
update\_add\_htlc(m, n, amount) \triangleq
```

Commit tx state can be in any of these states

```
\land \mathit{htlc\_states}[\langle m, \, n \rangle] \in \{ \, \text{``ready''}, \, \, \text{``in\_latest\_commit\_tx''} \, \}
        Update only if amount is more than zero
      \land amount > 0
        Update only if there is sufficient balance
      \land channel\_balances[\langle m, n \rangle] - amount \ge 0
        Change htlc balance in the commit transaction
      \land htlc\_balances' = [htlc\_balances \ EXCEPT \ ! [\langle m, n \rangle] = @ + amount]
        Change channel balance in the commit transaction for sender
      \land channel_balances' = [channel_balances EXCEPT ![\langle m, n \rangle] = @ - amount]
        Keep receiving updates until sender has exhausted channel sender's balance
     \land htlc\_states' = [htlc\_states \ \texttt{EXCEPT} \ ! [\langle m, n \rangle] = "in\_latest\_commit\_tx"]
Next \triangleq
     \vee \exists \langle m, n \rangle \in Channel, a \in InitialBalance :
                \land update\_add\_htlc(m, n, a)
Spec \triangleq
     \land \mathit{Init}
     \wedge \Box [Next]_{\langle vars \rangle}
```