

# SONM

Supercomputer organized by network mining

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(Supercomputer organized by network mining)

Distributed computing power exchange

Decentralized operating system for fog computing

GRIB technology

13.04.2017

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# TABLE OF CONTENT

1. Introduction	4
1.1. What is SONM	4
1.2. SONM Use Cases	6
1.2.1. Scientific projects	6
1.2.3. Game server use-cases	7
1.2.4. Neural networks projects	7
2. SONM technology	7
2.2. World Computer	9
2.4. World Computer General Architecture / Infrastructure	10
2.5. World computer's Infrastructure as a service (WC laaS)	12
2.5.1. Slave Messaging Framework	12
2.5.2 Slave API	12
2.5.2. The smart contract system	13
2.5.3 SONM Miner-Hub interaction solution	15
2.5.4 SONM Client-Hub interaction solution	17
2.5.5. SONM 'Blockchain-government' Expansion Policy	18
2.5.6. SONM Client-Hub content delivery method	18
2.6. World Computer Platform as a Service (WC PaaS)	18
2.6.1 What is SOSNA	18
2.6.2 Applications and containerization	19
2.6.3 Slaves & their services	20
2.6.4 Masters and Gateways	21
2.6.5 Grid - Core	21
2.6.6. Intercommunication Services	22
2.6.7. SOSNA in a nutshell	22
2.7. World Computer SaaS and its API	22
2.8. Results verification	22
2.9. Safety and Security	24
2.10 Al implementation	24
2.11. SONM GitHub repositories	24
3. Development roadmap	25
3.2. Modules' implementation roadmap:	25
3.3. Dissemination of the development process information	28
4. SONM in comparison to other grid computing projects	29
4.1. SONM in comparison to Golem Network	29
4.3. SONM in comparison to Elastic Project	29
5. References	31



# 1. INTRODUCTION

### 1.1. What is SONM

SONM is a decentralized worldwide fog supercomputer for general purpose computing from site hosting to scientific calculations. The purpose of SONM project is to replace traditional Proof-of-Work cryptocurrency mining prevalent in the block-chain community at the moment.

Unlike widespread centralized cloud services, SONM project implements a fog computing<sup>[1]</sup> structure – a decentralized pool of devices, all of which are connected to the internet (IoT / Internet of Everything).

**Buyers of computing power get more cost-efficient solutions** than cloud services (Amazon, Microsoft, Google Cloud, Digital Ocean etc.) can offer.

We use fog computing instead of a cloud structure, so there is no more need to pay in advance for private and monopolized cloud computing. Since SONM is fully decentralized, there is no single authority that regulates computing resource distribution.

SONM has a hybrid architecture, and therefore supports any kind of computational tasks without facing Ethereum's "out of gas" problem.

**From a technical point of view**, SONM is a top layer of underlying P2P technologies – BitTorrent for data transfer, <u>Cocaine</u> open source PaaS technology as a decentralized computing platform, Ethereum Smart Contracts as a PoE (Proof of Execution) and consensus system, BitMessage for nodes communication, etc.

There is no central control behind the system and no backdoors or escape hatches. Several existing technologies were combined and modified by our developers to make a new GRIB (GRID+Blockchain) technology.

In terms of providing distributed value for investors, SONM uses its own token SNM, based on Ethereum blockchain.

(click here to skip the project description and go to SONM token description).

Almost every online service needs computational power for their product, including web-sites, online shops, MMORPGs, companies using large databases, and apps. Everyone in the world using internet for business will have an option to use SONM tokens to solve their computing power issues. On the other hand, all internet users will be able to use SONM to receive passive income by providing their computational resources for rent.

This disruptive migration from centralized cloud computing to decentralized fog computing will not happen quickly: it will be a long and hard transition, but the results will be worth it. SONM token price calculations show decent ROI for the project's early adopters.

SONM token price is supported by stable market demand for computing power and ability to provide more competitive prices than traditional cloud computing services. SONM token holders earn percentage from transactions and operations fees (buy-sell-develop). It's a direct analogue of holding shares and receiving dividends from operational profit.

**If you are a miner or computational power owner**, SONM is a great opportunity to use your equipment for some useful calculations and processing real tasks.

SONM fog computing platform is a fresh start for solo mining. There are lots of miners with GPU mining farms becoming useless due to the increased Proof-of-work mining difficulty (even for altcoins). In recent years, being a part of a mining pool has been the only way to guarantee profit from mining. But even in doing so, this profit is so small that sometimes it doesn't even cover the cost of electricity spent for PoW mining.

SONM platform is the profitable solution for miners.

With SONM you will stop burning your kilowatts for PoW mining and start serving calculations for everyone in the network. For those who are confused by difficulty bomb or Ethereum (and many others) PoS-migration - each miner is suggested most profitable applications and tasks for his hardware. CPU, GPU, ASIC, even gaming consoles and smartphones can be used for SONM fog computing. All you need is to set up a mining client application and run it.

**SONM** is a Multi-agent system, so each user will able to use intelligent agents and smart-contracts to maximize the profit. You can set your automatization level by choosing every project manually with one-click settings. The SONM system will then automatically pick the most profitable project for your equipment, work with it and receive payouts to your personal Ethereum address.

#### SONM is easy to set up and use, both for miners and computing power buyers.

There is no need to have advanced IT skills or to hire IT if you use SONM — our self-learning system finds the most profitable task for miner's equipment (and vice versa for buyers) and runs this task with no need to set up and support a dedicated server.

#### SONM has been developed to be Self-learning and totally safe for its users.

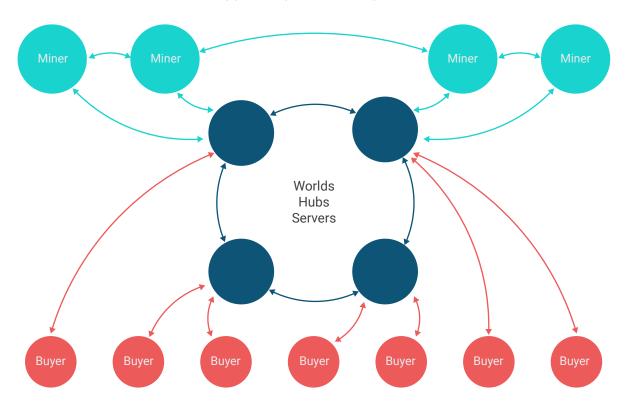
Our system supports anonymity tools like proxy, VPN or TOR, but it can't be used as a hacker dream toolkit. Intelligent agents are able to self-educate using neural networks and keep malicious users out of the system, while at the same time providing most efficient task solution - both for miners and computational power buyers.

SONM computing power exchange is the free market, so malicious hubs and users will shortly be ignored by buyers and miners due to their bad reputation.

We expect SONM to be the smartest, the cheapest and the largest decentralized computing system with strong rules regarding morality and loyalty, due to SONM's reputation system and self-learning intelligent agents.



#### SCHEME OF THE NETWORK



## 1.2. SONM Use Cases

We have experience with the limitations of BOINC itself – it is scientific software and supports only C++/FORTRAN/Python, therefore it's not flexible. We started using more advanced solutions like Cocaine and Docker container (which support more languages, like Java, Node.js, Go and etc.) – but we have decided that we will go the other way, and will focus more not just on the distributed calculations field like BOINC does, but more on fog computing. This way, we can build a more universal platform not only for scientific calculations.

#### 1.2.1. Scientific projects

SONM network can be used to run essential scientific calculations requiring massive computing power, for example:

- social statistics

- bioinformatics

- drug development

- climate predictions

aerodynamic calculations

- modelling

meteors trajectory modelling

#### 1.2.2. Site hosting

SONM network can be used to host websites not depending on centralized cloud services (AWS / Azure / Google Cloud etc) or hosting providers. We use Cocaine open source PaaS technology to implement virtual machines recognized as servers, with IPFS and other decentralized data storage solutions as an underlying layer. Website owners can also use our code snippets on their websites to collect payments in SONM or Ether tokens and automatically pay for hosting.



#### 1.2.3. Game server use-cases

There are lots of MMO games using in-game currencies. Our technology offers a solution for deploying game servers in the **SONM network**. Furthermore, game currencies can be easily exchanged for SONM tokens and back using our out-of-the-box solution.

On the other hand, gamers can support their favorite game servers by providing their computing resources in exchange for tokens or in-game currency.

#### 1.2.4. Neural networks projects

Neural networks are a powerful technology becoming more and more widespread in the recent years. Neuro-networking projects require massive computing power for their deployment, learning and tuning.

SONM system provides a cost-efficient and effective solution for neural network implementation.

#### 1.2.5. Rendering video and computer graphics.

Rendering CGI can be distributed over the SONM network between a large number of computing devices and can be processed very quickly (in a matter of minutes).

We provide much faster processing for **Buyers'** (**Clients'**) CGI computing projects due to SONM infrastructural flexibility. Compared to one K80 NVIDIA unit rental from Amazon (for example, for 10 hours), a buyer can use SONM network to rent 600 K80 NVIDIA units with a total task processing time of 10 minutes for each of them. It allows for use of more efficiently distributed architecture and parallel computing.

Unlike cloud computing services, SONM can provide buyers any rental time, any computing architecture and any computing network structure.

# 2. SONM TECHNOLOGY

Nowadays the popular Internet of Things concept<sup>[2]</sup> (IoT) gives way to the new emerging concept called Internet of Everything (IoE).

Internet of Everything is the unification of all computing resources of humanity. It has core differences with currently widespread centralized cloud computing technology.

In order to develop a system implementing this disruptive idea, SONM team used the most efficient and proven P2P, distributed computing and blockchain technologies.

SONM is not a monolith product, it's a top layer built on underlying protocols and technologies: Ethereum, bitTorrent, Docker, Cocaine, etc.

(By the way, Bitcoin creator(s) also combined existing technologies (cryptography, P2P nodes network, git, Proof-of-work concept, etc) to bring a brand new independent decentralized currency/payment system to the world.)

#### 2.1. IoE, IoT and fog computing

Before describing the future "World Computer" architecture we need to mention some details regarding IoE, IoT and fog computing concepts.



Nowadays, the concept of Internet of Things (IoT) is commonly known.

According to the IoT concept, Thing is any natural or artificial object able to have an IP address and transfer data over the network.

Internet of Everything (IoE) represents further development of IoT concept:

"Cisco defines the Internet of Everything (IoE) as the networked connection of people, process, data, and things. The benefit of IoE is derived from the compound impact of connecting people, process, data, and things, and the value this increased connectedness creates as "everything" comes online.

loE is creating unprecedented opportunities for organizations, individuals, communities, and countries to realize dramatically greater value from networked connections among people, process, data, and things[3]."

This definition emphasizes a very important aspect of IoE, which distinguishes IoE from IoT: namely, the so-called "network effect", formulated by James Macaulay from Cisco IBSG consulting department.

The term "network effect" refers to a decentralization of organizations included in IoE.

These kinds of decentralized systems are being developed by groups of so-called "crypto-anarchists" (people implementing decentralized P2P systems using cryptographic methods<sup>[4]</sup>).

Furthermore, in this document we are referring to decentralized organizations of computing machine resources, and not decentralized human organizations.

Most of the data in the current IoT state of development is being processed by private centralized clouds - i.e. using cloud technologies, like AWS, Microsoft Azure, etc.

Centralized cloud technologies have several weaknesses and can't be used in IoE.

Some Things in IoE can create massive amounts of data. Cisco gives the example of jet engine, which creates about 10 Terabytes of its activity data in 30 minutes.

Transferring this data to the cloud, and receiving the results of data processing, requires adequate network bandwidth, takes significant amount of time and can have delays.

Furthermore, private centralized cloud systems potentially can be compromised, influenced from the outside, attacked or have failures, and also have lower computing power than fog computing solutions.

How can these problems be solved?

**Fog Computing** shifts the cloud computing paradigm and moves it to the lower level of the network. Instead of processing some task using the cloud, we can use all the devices surrounding us: personal computers, smartphones, even coffee makers and traffic lights.

Cisco's Ginny Nichols originally coined the term Fog Computing. The metaphor comes from the fact that fog is a cloud that is close to the ground, and thus fog computing concentrates processing at the edge



of the network. In Fog computing, data processing and applications are concentrated in devices at the network edge rather than existing almost entirely in the cloud. That concentration means that data can be processed locally in smart devices rather than being sent to the cloud for processing<sup>[5]</sup>.

Thus, instead of centralized cloud solutions, we can use fog computing systems, getting the computational power of every internet-connected device, with decentralization advantages like independence from any centralized service, full protection against possible failures, etc.

## 2.2. World Computer

The so-called "computing fog" is the layer of computational resources able to process some kind of task.

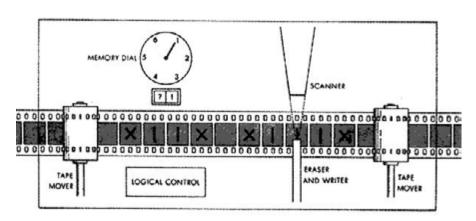
However, aside from computing fog, the system also involves its users setting computational tasks, and some middleware distributing these tasks among the fog resources, which then returns the result of the calculations.

#### This system is called "World Computer".

The first mention of the World Computer term was Vitalik Buterin's project Ethereum, which implemented using blockchain technology ability to include executable code into transaction blocks, so every miner's machine automatically executes this code.

Thereby, Ethereum in fact is the World Computer working like a Turing Machine<sup>[6]</sup>, with blockchain used as a state register tape.

This also implies that due to the fact that every program must be run on every machine in the Ethereum network, it's very costly and only a limited range of tasks can be run using this platform.

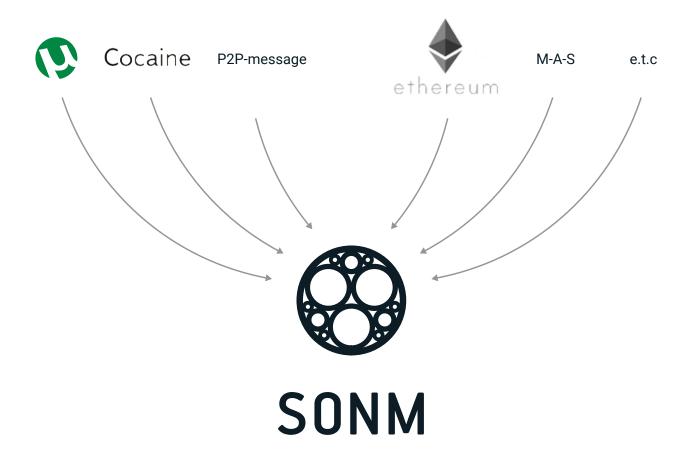


(FIG.1) TURING MACHINE

There are other projects developing a decentralized world computer (Golem, iEx.Ec and others), however all of them are being implemented using the same principles as Ethereum and have the same problem: excessive parallelization leads to high costs of operations. This is caused by the absence of any control centers managing task processing in real time that can stop it after receiving the desired result, which leads to running parallel / asynchronous processes.

In fact, these projects can't provide the functionality which any usual personal computer has nowadays. SONM team has already spent 3 years developing a World Computer functional concept able to process any kind of tasks, up to the standard of a fully functional computer.





# 2.4. World Computer General Architecture / Infrastructure

What kind of architecture do we imagine when we talk about a PC? A processor, motherboard, battery, BIOS, bus, hard drive, GPU, RAM memory, etc.

For our computer world computer architecture, we decided to follow the modular way all the personal computers are built. (FIG.3)

Like a standard home PC, world computer in the scheme has similar elements: CPU, BIOS, bus for data exchange, plugins board (connectable devices), peripheral devices, graphics card, etc.

Hard disk drive analogue will be implemented using decentralized data storage solutions: IPFS (InterPlanetary File System), Storj, Sia, etc.

The first component of the system is the processor. SONM world computer's processor is represented by the set of independent hub nodes distributing tasks, assembling calculations results, keeping statistics and providing uninterrupted operation of the system.

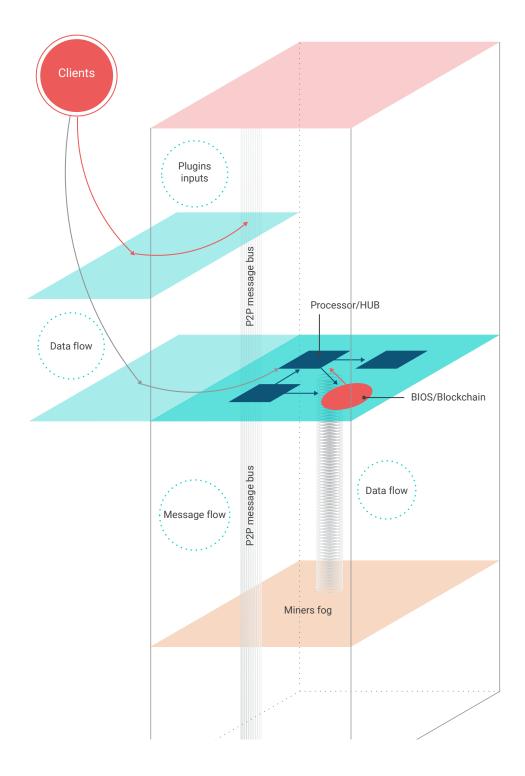
Each hub node on the figure is equivalent to the processor's core (but is not equivalent to the processor). There can be an unlimited number of hubs, and they can be easily included and excluded from the system.



#### (FIG.3) SONM WORLD COMPUTER IMPLEMENTATION SCHEME

Consider the details of this world computer architecture implementation figure.

As you can see, this architecture includes lots of linked elements.



Hubs do not process calculations directly, but rather they represent a very important part of the system, providing management and support (just like a computer's processor regulates and controls the operation of GPU, and is able to process sophisticated high-loaded parallel computations). Hubs are implemented using Cocaine 'gateway nodes'.



The next element of the system is equivalent to a PC's **GPU**. It is comprised of fog computing miners' processing tasks computations in the SONM system.

**The communication bus** for transferring data and messages in the network is represented by P2P communications module. (Bitmessage/Slave)

Buyers are equivalent to PC peripheral devices, usually used for information input.

**The plugins board** allows the system to constantly expand and gain power by connecting to external compatible networks, for example, any Grid network.

**BIOS** is an important part of the SONM system, represented by an Ethereum blockchain in our decentralized computer model. As we mentioned earlier, Ethereum systems offer high reliability, but perform only basic operations due to its architecture - that's why Ethereum is the most suitable candidate for the world computer BIOS.

Finally, as we know, PC itself isn't worth anything without an **operating system**. Our global computer also requires an OS, and we have it ready.

## 2.5. Wwomputer's Infrastructure as a service (WC laaS)

In the previous section we looked at the overall architecture of the system.

The infrastructure part of the system is handled by a messaging framework and a smart contract system (Blockchain government).

#### 2.5.1. Slave Messaging Framework

Currently the messaging framework is represented by the Slave messaging protocol. (<a href="https://github.com/cocaine-core/wiki/protocol">https://github.com/cocaine-core/wiki/protocol</a>)

#### 2.5.2 Slave API

#### Common types

```
Object ::= <Number> | <String> | <Map>

Tuple ::= ([<Object> [, <Object>]...])
```

#### General format

Every message is a MessagePack-ed tuple of three fields:

```
ChannelID ::= <Number>
MessageID ::= <Number>
Message ::= (<ChannelID>, <MessageID>, <Tuple>)
```

Message ID is a service slot number you're going to call. Every service has its own set of slots which can be inspected by resolving this service via the Locator. Channel ID is a way to multiplex multiple dataflows inside a single TCP session. Channel ID is generated by the caller. Tuple is a slot-specific payload.

The usage of Slave will be covered more thoroughly in coming versions.

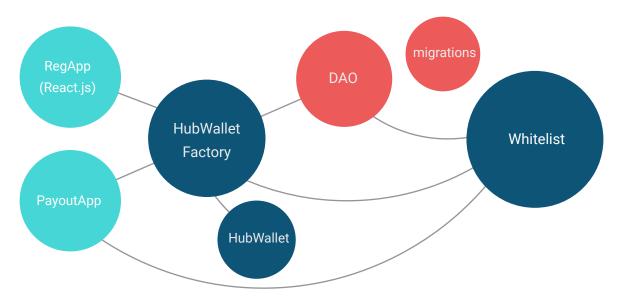


#### 2.5.2. The smart contract system

#### 2.5.2.1 Blockchain government

Blockchain government is an organization (speaking metaphorically) consisting of a court, a DAO, a registry, a factory of enterprises (and an example of said enterprise).

The point of a blockchain government is to provide a simultaneous work process for all enterprises registered in such a system, motivating them to pay "taxes" to the DAO of a higher order, receiving court protection for their enterprise in exchange, as well as protection against unfair partners on the market. SONM uses the following scheme for smart contracts to realize the pattern of a "blockchain government": <a href="https://github.com/sonm-io/Contracts-scheme">https://github.com/sonm-io/Contracts-scheme</a>



Smart contract prototypes can be found here: <a href="https://github.com/sonm-io/Forge">https://github.com/sonm-io/Forge</a>

#### **Structure of contracts:**

- 1. Migrations(Standard)
- 2. Sonm Token
- 3. DAO(Standard)
- 4. Hub wallet factory
- 5. Hub wallet
- 6. Whitelist prototype
- 7. RegApp (Simple React/Webpack App to work with hub registrations)
- 8. PayOut App (already implemented for DD@H project) <a href="https://github.com/sonm-io/drugdiscovery-token">https://github.com/sonm-io/drugdiscovery-token</a>

#### **Abstract**

Outline of the smart-contracts system which will be implemented in SONM network is presented. More info about network and contracts interaction can be found in the whitepaper.

#### Simple Data flow

#### **HUB**

Before the hub starts paying out tokens to miners and receiving payments from buyers, it must create a hub wallet — a simple contract with a fixed amount of frozen funds. If hub is caught on cheating, DAO can initiate the process of blacklisting this hub and expropriate its frozen funds.



Those expropriated funds will also be frozen at the DAO account for some specified time. This is to protect against malicious decisions of the DAO: tokens can drop in price during freeze, therefore there is no motivation to 'raskulachivat' (expropriate) every hub.

#### **HUB FACTORY**

Hub wallet can be created only by a Hub wallet factory (which is actually a simplified replication factory), which create a new hub wallet contract and register it in 'whitelist' contract.

#### WHITELIST

Whitelist contract is a registry contract containing info about hubs and their statuses. All hub wallets created by hub wallet factory are registered in this contract. It is supposed to be simple registry with a special mapping for 'trusted' hubs. Initially, 'trusted' hubs will be checked by SONM developers manually / official SONM hubs. Later, it's supposed to be also a rating list — everyone could check the hub and rate it (betting some amount of SONM tokens to prevent rating fraud).

#### **REGAPP**

As REGAPP we use the React.js application which is simple web application (web-page) with the purpose of user friendly hub registration process.

#### **PAYOUT APP**

Payout App is an application to process miners' token payout mechanism operations. For now it is implemented to work with the BOINC statistic mechanism.

#### 2.5.2.1 Example of usage of a 'hub-wallet' contract

#### **Abstract**

Before hub starts paying out tokens to miners and receiving payments from buyers – it must create a hub wallet – a simple contract with a defined amount of frozen funds. If hub will be cheating – DAO could initiate process of blacklisting this hub and expropriate frozen funds from it.

Those expropriated funds will also be frozen at the DAO account for some specified time. This is to protect against malicious decisions of the DAO: tokens can drop in price during freeze, therefore there is no motivation to expropriate every hub.

#### Logic

#### **Contract logic**

The contract exists in 4 states - Created, Registered, Idle, Suspected (+Punished)

When the contract is created, the constructor function designates the addresses of the DAO, the factory, the whitelist, the wallet owner and a few other variables, like the length of the payout period (which is currently set at 30 days) The payout period is a period of time during which the hub can conduct payouts to miners, but cannot take the entire balance for itself.

In the Created state the contract can be registered in the whitelist, freezing a set amount on its balance (1 SONM token). This is designed to circumvent a situation like this – the hub first deposits 0.00000001 SNM, registers the contract, and then deposits the main sum of 100 SNM – the first amount is fixed. Furthermore, the time of registration is recorded when the contract is registered in the whitelist.

After the contract has been registered in the whitelist, it becomes Registered, in which state it has access to the transfer, payday, suspect functions. Let's take a closer look at them in order.



#### Transfer function

This function enables the contract to conduct payouts to the hub miners. It works as follows: first a lockFee- is designated, a percentage of the payout which will be locked for the payout period. The default value of it is 30%. Then a limit is set (the total amount of frozen funds + the frozen amount from the registration + the percentage for this particular transaction) and the balance is checked – if the balance is below the limit, this particular transaction is not conducted, if everything is in order – the frozen percentage is added to the total amount of frozen funds and the contract invokes the Approve function (details below) towards the miner. The explanation of why the process is done this way is given in the PayDay portion of the description.

#### **Approve function**

This function does not move the tokens to the miner's wallet, but permits the miner to conduct this transaction on his one. This prevents the hub from registering a wallet in the system while conducting the payouts through a separate wallet because the miner is waiting for approval from this particular wallet. Approve is a standard function. (standard ERC20).

#### **PayDay function**

This function sets the contract's state from Registered to Idle . This function checks the registration time against the current date and thus can be invoked only at the end of the payout period. If this condition is met, it transfers 0.5% of the frozen funds to the DAO wallet, after which it unlocks all the frozen funds and set the contract's state to idle. In this idle state the contract can move all the funds back to the owner's wallet or register the contract again in the whitelist. During the idle state the hub cannot conduct payouts or be dismantled.

Thus, if the owner can move the funds from the hub to his personal wallet he can do so in two ways – do it in accordance with the rules, wait until the end of the payout period, pay the DAO 0.5% of the frozen funds and move the rest to his wallet; or he can cheat and move all the funds using the transfer function under the guise of paying miners, but in this case 30% of all funds will stay frozen +1 SNM. Such a system motivates the hub to act in compliance with the rules.

The contract also has the Suspected and Punished conditions. In the Registred state – the state when the contract can be registered in the whitelist – the DAO and only DAO can invoke the suspect function, thus setting the contract's stats to suspected – suspected of being malicious. This function blocks all funds on the contract's wallet for 120 days. In the suspected state the following functions can be invoked by the DAO exclusively:

#### **Rehab function**

This rehabilitates the hub, removes all fund freezes and set the contract state to idle. Can be invoked at any time.

#### **Ban function**

This can only be invoked by the DAO committee after 120 days have passed since the contract's state has been set to suspected, then all frozen funds of the contracts get sent to the DAO wallet, the contract state is definitively set to punished, and the owner of the contract is blocked from conduction further operations using this wallet.

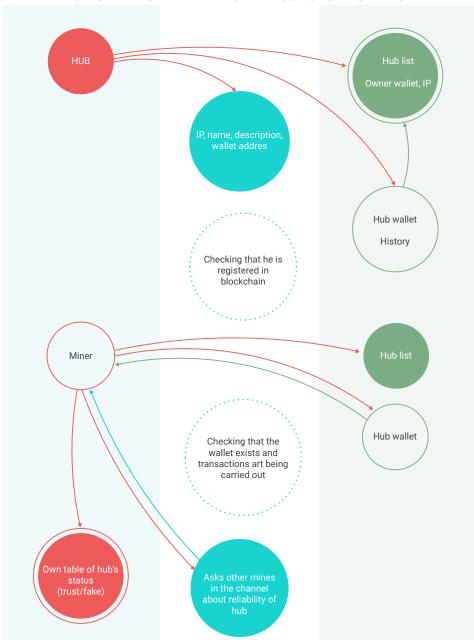
#### 2.5.3 SONM Miner-Hub interaction solution

Let's consider the process of SONM miners and hubs communicating when they need to establish a mutual cooperation (i.e., the first phase, when the miner hasn't decided yet whether to participate in computations and receive tasks from the hub or not).

First, SONM hub administrator sets up an Ethereum smart contract containing SONM tokens used to pay miners for computations. Then, the ethereum address of this smart contract, address of pool administrator and hub IP are recorded to a special SONM smart contract "Hubs Pool List"



#### FLOWCHART OF "MINER-HUB" MESSAGES EXCHANGE:



Hubs pool list includes unconfirmed (unverified) hubs and verified hubs (i.e., listed in the hubs whitelist). At first, the whitelist will be managed by SONM team, and further it will be formed only by the miners. In any case, hub information in SONM smart contracts includes the address of the hub owner, the address of the hub wallet and the hub IP. In case of IP or wallet address change, the hub owner can change the hub record.

Therefore, SONM hub records the address of smart contracts containing the funds used to pay miners for computations (so miners can check the existence of these funds) and registers basic information about itself, including the address of the owner and IP.

Then, SONM hub agent starts broadcasting to the network using P2P messenger protocol, sending a broadcast message about itself in the format: «IP, hub owner address, wallet address, hub name». The agent on the miner side listens to the channel, receives data messages from the hubs, and then makes a request to the Hubs Pool List smart contract to compare the data from the hub messages with data in hubs whitelist. The miner may customize agent settings to accept messages from all servers or only from proven ones listed in Hubs Pool List.

After that, miner's blockchain agent requests information about the contract-wallet of the hub, amount of funds in hub's wallet and recent transactions of the wallet. An intelligent agent checks the received data to compare it with conditions set by the miner: are there sufficient funds in the hub wallet, are hub payments to miners regu-



lar, what is the average amount of tokens paid to miners by this hub. Then, P2P messenger agent sends a direct message to the hub to request additional meta-data, and records full information about the hub in its hubs list with a "not confirmed" mark.

At the same time, P2P messenger agent constantly broadcasts question messages to the common miners' data channel for information about the hub, the average amount of reward paid to them, and so on. Other miners' agents broadcast positive answer messages to the channel if hub information in the question message is correlated with their information, or negative answers, if they believe this hub is malicious or not reliable.

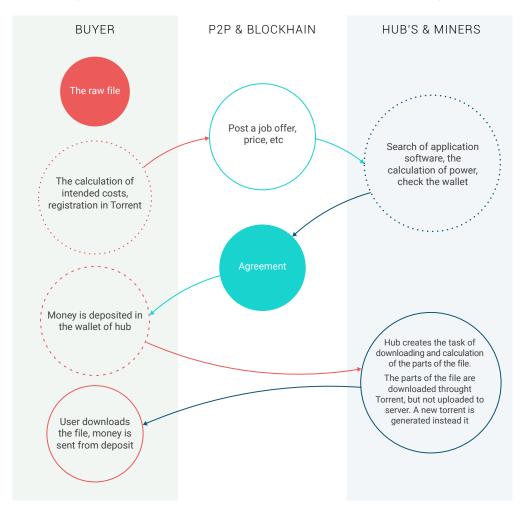
If a miner's agent receives a sufficient amount of confirmations from the network, the hub receives "checked" status in the miners' hubs list. If the transaction received by the miner from this hub corresponds to the original agreement, the status of this hub changes to "safe". After that, depending on the settings of miner's software, a miner can either manually select a hub to connect and perform computing tasks, or a miner's agent can automatically select a hub offering maximum profit and connect to it.

#### 2.5.4 SONM Client-Hub interaction solution

Clients' (buyers) interaction with SONM hubs is similar to the miner-hub agent's interaction, with a difference in intellectual agent results' parsing, which for buyers prefers the hubs with the lowest computations price (and vice versa for miners). Buyers more probably will use the "Application Pool", than "Hub Pool" smart contract.

Buyer creates a task and deposits funds to the hub's smart contract wallet to pay for the job. When the buyer receives the calculations result, he confirms the transfer of money using smart contract function (similar to Multisignature Wallet).

FLOWCHART OF CLIENT-HUB INTERACTION PROCESS: (Some intermediate messages in the flowchart are omitted)





#### 2.5.5. SONM 'Blockchain-government' Expansion Policy

Previously we looked at ways to implement the "blockchain-government" to work with the SONM system using computational hubs as enterprises and miners as "workers", but what if we go beyond the computational model and look that the current smart contract system in a broader sense?

What if we take a random business and try to apply it to the current system? Suppose you are an owner of a restaurant – in which case you can similarly deploy a hub contract in blockchain and register in the whitelist and carry out your regular business transfers – receiving payment from clients and paying your workers, but your bookkeeping will be relatively transparent for anyone, you will be under protection by a DAO (a joint-share group of regular people which will resolve issues via voting),and your business will be registered in the whitelist, similar to the governmental registry, giving your business an "honesty certificate" of sorts and giving you a competitive advantage.

Creating the "blockchain-government" system is not the priority for SONM, but as you may recall, SONM is an assembly. We suppose that those interested in the system described above will register in the SONM whitelist, thus executing the expansion plan for the "blockchain-government" into other markets and implementations.

#### 2.5.6. SONM Client-Hub content delivery method

Content delivery method is the only significant difference between client-hub and miner-hub interactions.

As you might expect, there is no difference between rendering a 6-hour video using the local computer and *uploading* this video to the server while waiting for video rendering on the remote server, because most of the time will be spent on uploading.

We developed a solution for this issue:

When a client wants to upload a large file of raw data to the server, SONM automatically creates a torrent and sends a message to the selected hub. This hub receives the message and creates a task sequence for torrent downloading, computation work with downloaded file(s) and creation of a new torrent for calculation results file.

After processing the calculations and creating a torrent for the resulting data, the hub sends a message to the buyer, who only has to download the received file from the miners.

We expect this to be the most rapid solution of all those that exist at the moment.

# 2.6. World Computer Platform as a Service (WC PaaS)

As a platform for SONM we propose using SOSNA – Superglobal Operation System by/for Network Architecture.

#### 2.6.1 What is SOSNA

SOSNA is a global operating system built on the nesting doll principle. To better understand this concept let's go through the structure of SOSNA from the bottom to the top layer, going from the end-user application to outer-layer infrastructure.



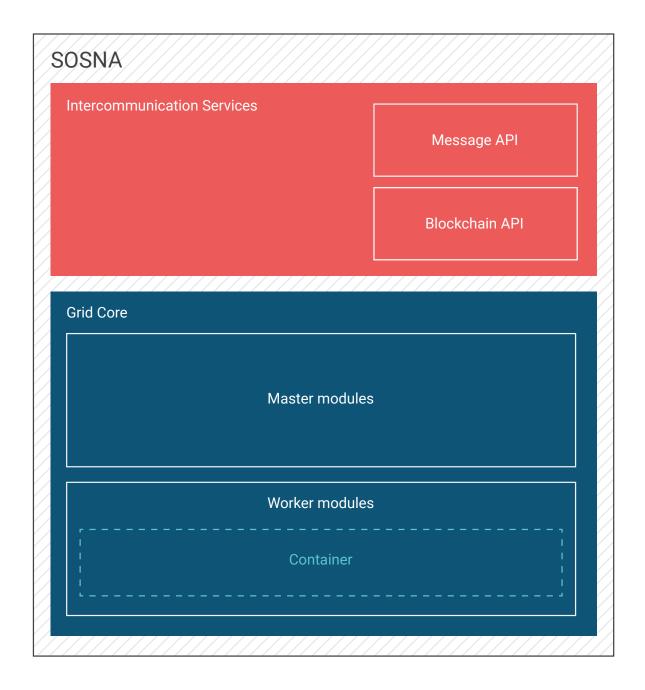
#### 2.6.2 Applications and containerization

When you are developing an application, you must make sure that for the end-user it's going to function properly. But the end-user's computer does not possess the same amount of libraries as the one you used during development, or they may not be up-to-date with vulnerabilities left, it may cause unexpected results.

Is there any way to force the program to run exactly as it was intended, and at the same time making it run safely for the end user? For this, there are containers.

Containers allow us to run \* any \* software inside a secure, isolated environment. By itself, such a container is a miniature virtual machine, packed with all the dependency libraries of your system - so the compatibility problem and dependencies are relatively resolved. In addition, such a system is isolated in relation to the host system, so no one can cause harm to the miner's computer.

SUPERGLOBAL OPERATION SYSTEM BY/FOR NETWORK ARCHITECTURE





#### 2.6.3 Slaves & their services

Let's move up one level.

Miner's Host in this architecture is a simple node, a worker. (In cloud architecture such a system is called Slave or Minion). All applications performed inside containters are called services. We'll talk more thoroughly about what containers are in the SaaS chapter. The miner's host itself can be definitively represented as an assembly of services and a service location system.

#### Service

Service is an actor, an RPC-enabled piece of code, which accepts a certain set of messages. Technically speaking, each service dispatches a service protocol — that is, a list of methods and their respective SlotIDs you can call by sending messages to the service just after a connection has been established. This protocol description can be dynamically obtained (along with other stuff) by resolving a service name via the locator.

The important part here is that, in line with the actor model, the client is an actor too. So, after you've sent a message to a service to do something for you, it responds by sending messages as well. But unlike server-side services with service-specific protocols, every client dispatches the streaming service protocol, mostly for backward compatibility and ease of use.

Each connection between a client and a service is multiplexed using ChannelIDs, and both ends of a given channel dispatch some specific, possibly different, protocols. For example, the usual session between a client and a service goes as follows:

- A client connects to some service and picks any channel at random (for example, channel #1), because all of them are not used in the beginning. Initially the service side of a channel dispatches the service-specific protocol, and the client side dispatches the streaming protocol.
- The client sends a message tagged with the chosen ChannelID in order to call one of the service's methods. That indicates the start of a session.
- The service switches its side of the channel to the null protocol, so that the client couldn't call some other method in the same channel while the service processes you request.
- The client starts to receive the streaming protocol Chunk messages with the service response.
- In the end, the service sends a Choke message to indicate that the session has been completed and switches its side of the channel back to the service-specific protocol.
- If that was the only request, the client disconnects.

Note that some services provide streamable methods: in that case the service will switch to the streaming protocol instead of the null protocol, so that you can stream some data to the service.

#### Locator

When a node starts, it reads its configuration file, which has a list of services to run. This list only specifies service names and types, but not network-related properties, because the I/O layer and the RPC layer are completely separate. Moreover, the services themselves have no code to communicate over the network, only the message dispatching code.



In order to enable those services to receive and send messages over the network, the node starts a special service called the **locator**. Every other service is attached to the locator, which in turn wraps them in an event loop, binds them to some network endpoints and announces them in the cluster. The locator itself always runs on a well-known port.

So, a client should perform the following steps to connect to the requested service:

- Connect to service locator on a well-known port.
- Send a Resolve message with the name of the required service using any channel.
- Receive a Chunk message with the information about the service endpoint, its protocol version and its dispatch maps (which is a mapping of message numbers to method names).
- Receive a Choke message indicating that the request has been completed.
- Connect to the specified endpoint and work with the requested service.

Services can stack protocols. For example, the Elliptics service implements both the generic storage protocol and its own specific protocol, which means that a client requesting storage service can be routed to the Elliptics service instance. That's fine, because stacking allows the client to work with the Elliptics instance without even knowing the service-specific protocol details — protocol messages have the same SlotIDs no matter what service implement the given protocol and whether it uses protocol stacking or not.

#### 2.6.4 Masters and Gateways

Let's advance one more layer higher. Here you can see that in addition to the miner machine itself there is a master machine, i.e. Hub, the approximate function of which we considered in the paragraph about laaS.

#### Master

Master manages the execution of services on the machines of miners, maintains statistics, balances the load, carries out the validation of results, leads the task planner, etc. - i.e. Behaves like a conventional crypto-currency pool.

Master is also called a Gateway node.

#### Gateway

Optionally, the locator can be configured to aggregate other locators' multicast announces (or use a provided list of remote nodes) and act as a cluster entry point for clients. In other words, the aggregating locator job is to configure a gateway by connecting with all the remote nodes and monitoring their health and service updates.

Gateways are pluggable locator modules which provide remote location functionality. For example, a simple builtin Adhoc Gateway randomly picks a remote node for each client, and IPVS Gateway operates on a kernel IPVS load balancer to set up a local virtual service for each available service in the cluster.

Clients can use these aggregating locators to access every service in the cluster regardless of their physical location in a load-balanced fashion.

#### 2.6.5 Grid - Core

Two machines - Master & Worker form a basic implementation of the Grid standard - a loosely coupled computing network. A key feature of the Grid standard is the prerequisite for decentralization and geographic remoteness of Masters from Workers. As an example, we consider the product <a href="https://github.com/cocaine-coce">https://github.com/cocaine-coce</a> as an example of Grid-Core.



#### 2.6.6. Intercommunication Services

SOSNA intercommunication services are a common p2p message bus, with which miners, hubs and clients communicate, as well as the Blockhain API service, which allows SOSNA to communicate with Blockchain.

#### 2.6.7. SOSNA in a nutshell

SOSNA itself is a top layer envelope which works with the Grid-core (BOINC, Yandex.Cocaine/ Other grid-compatible PaaS) and the infrastructure of SONM smart contracts.

## 2.7. World Computer SaaS and its API

Example of the simple application that can be run on SOSNA

```
#!/usr/bin/env python
from cocaine.services import Service
from cocaine.worker import Worker
storage = Service("storage")

def process(value):
    return len(value)

def handle(request, response):
    key = yield request.read()
    value = yield storage.read("collection", key)

    response.write(process(value))
    response.close()

Worker().run({
        'calculate_length': handle
})
```

## 2.8. Results verification

The problem of validating computations executed by a third party is a thoroughly researched topic [7] [8], but still lacks production-ready solutions, since most of them are very expensive in practice (at least in an HPC setting).

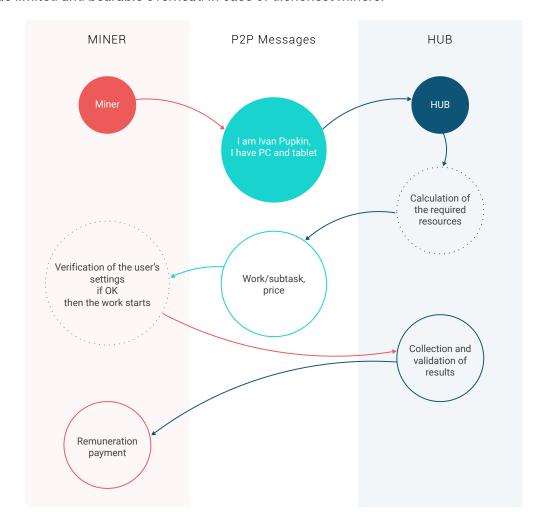
More practical solutions are based on repeating computations – verification by replication. This approach requires designated nodes (hubs) to distribute work units, aggregate results and verify them. Docker uses this approach and has a highly tested implementation.

For some kinds of computational problems it may be practical to offload the task of aggregation and verification to a smart contract. The process goes as follows: miner computes some work unit and posts merkle-tree root hash to the smart contract. Some other miner computes the same work unit and notices that results differ. In this case, it is possible to calculate a compact proof of cheat. The proof can be checked by the smart contract, and the cheater punished.

Economic motivation is used to promote this double-checking behavior: miners deposit some fixed amount of tokens, and this deposit will be returned after some timeout if no proof of cheat was posted. On the other hand it is possible to earn tokens by checking computations and revealing cheaters.

Verification by smart contracts is actively researched [9][10] and has some benefits:

- does not require trusted third party to aggregate and verify results;
- does not impose any overhead in case of honest miners;
- has limited and bearable overhead in case of dishonest miners.



#### Notes:

We will have a fully functional system, able to be used for any general-purpose computations, starting from the v.2.0. Most likely, by this stage SONM platform will have full-scale computational projects deployed with high turnover volume.

Moreover, by the v.2.0 we expect SONM to attract lots of the open-source community members, which means:

- The community will be independently creating lots of decentralized grid-compatible apps.
- Lots of brand new markets and teams are potentially going to appear, as well as lots of community-crafted tools for interaction with the SONM platform, most likely better than the original apps, developed by the SONM team. For example, the official geth Ethereum client made by Ethereum Foundation comparing to Parity by EthCore, or Windows Media Player compared to WinAmp or Internet Explorer comparing to Mozilla Firefox. We understand and welcome it.



That means that starting from this point we'll need to reduce our efforts for tools development and give way to the free market and community.

We'll focus on creating new formations for interaction with this market:

- a dedicated team developing decentralized computational power exchange;
- teams providing server hosting services based on the SONM platform;
- software for niche markets;
- various integration projects;
- xternal formations for tools development (like Metamask.io by ConsenSys)

I.e., by this point we will have a distinct division of SONM development areas. For example:

- original SONM core developers are creating basic protocols of the system;
- nother team is creating apps within smart-solutions;
- SONM Exchange team is building UI-friendly tools for the interaction with buyers and managing the decentralized exchange;

# 2.9. Safety and Security

#### Docker isolation.

One of the docker's software packages is a daemon - which consists of a container server, launched via the "docker -d" command), client tools which permit the user to control the modus and containers directly via the command line interface and an API which permits the user to control the containers via a REST-style program.

The daemon provides a complete isolation for the containers launched on the node at the file system level (each container has his own root), at the process level (the processes have access permission only for the container's own file systemm and the resources are split up usign libcontainer), at the network level (each container has access exclusively to the range of network names tied directly to it and the corresponding network interfaces).

## 2.10 AI implementation

Our system solves <u>Combinatorial optimization problems</u>, for example, <u>The Knapsack problem</u> and the <u>Travelling salesman problem</u>. These problems are NP-incomplete, so we have a basic implementation of a weak-class AI. The Knapsack problem is solved in the context of 'miners briefcase' - how to divide resources between different projects/hubs, with maximal profit and risk diversification. Put simply, it would be like "What coins do I need to mine if btc goes down and in what proportion for each of it?" The Travelling salesman problem is solved in the context of resource distribution and backs to GRID-network standards (this feature is not fully implemented yet).

# 2.11. SONM GitHub repositories





# 3. DEVELOPMENT ROADMAP

# 3.2. Modules' implementation roadmap:

Smart-contracts	Platform	SOSNA core	Messaging	Ver.
PresaleToken, Presale, "Forge"	Yandex.Cocaine	-	Slave Protocol	0.1
ICO, Token	PayoutProto	-	-	0.2
DAO	Debug + Cutting off Yandex pit- falls. Payout Dapp	Waiting for contracts' deploy- ment. Interaction protos	Bitmessage 'slave' protocol implementation	0.3
"Forge" debug	DCFS (etcd, Swarm, IPFS) integration	Business logic implementation (including price API)	Sonm hub DNS reconstruction, additional messaging types and channels' specification, debug	0.4
Whitelist, Hub wallet, Hub Fac- tory	Locator service improvement.	Interaction with p2p message bus & ethereum block-chain API	Debug and feed- back	0.5.
BugFix + Escrow	BugFix	Graphic UI	Global channels and Global DNS improvements.	1.0
Debug & feed- back	Debug & feed- back	Debug & feed- back	Debug & feed- back	1.1
				1.n
	CoreOS(https:// coreos.com/)			2.0



#### v.0.1 Current Version

Yandex. Cocain as a platform, Docker as an isolation.

Supproted languages:

- C++
- Go
- Java
- Node.js
- Python
- Ruby
- In development] Racket

We have the following services:

- Logging
- Node-local file storage
- MongoDB storage
- Elliptics storage
- Node-local in-memory cache
- Distributed in-memory cache
- URL Fetch
- Jabber
- In development] Notifications
- [In development] Distributed time service

Prototypes of the smart-contracts system ("Forge"), Slave protocol for communication between nodes.

Anyone could create his own hub and try to collect powers from miners, or create his own cluster (from many owned machines). Anyone could run any usual docker container on it or create your own application in Cocaine framework (see sections above or github).

#### v.0.2 - 1 month dev time

Main Token Contract and ICO application. Payout proto (already implemented for BOINC-platform "Drug-Discovery@home.com")

#### v.0.3 - 2-3 months dev time (about a month of which will be spent on organizational issues).

On this version (if we get enough money) we will focus on the most crucial parts of the system. For now the slave protocol is literally 'protocol' - it has no own libraries or API, it's just an agreement inside the module system. We need to rewrite it using modern p2p messages core, like bitmessage, to get a good looking messaging standard.



On the platform level it is will be also PayOut dapp - a simple dapp which allow hub administrator payout tokens to miners, depending on their work - it is already done for BOINC-like platforms like "DrugDiscovery@home", and we need to simply adapt it to ours new deployed token contract and architecture of Cocaine gateway node.

On the smart contracts level it will be work with our DAO contract.

#### v.0.4 - 5 months dev time

In this version we will be adding new messaging types for new messaging systems, tuning the communication between miners and hubs. We will probably rewrite the internal DNS peer discovery service as well (it allows finding peers during listening of the general channel in the messaging system).

Concerning the core platform we will work towards business logic (market and AI) implementation, and tuning in messages and blockchain API.

On the platform level we will be implementing integration with DCFS like IPFS or Swarm.

On the smart-contracts level we will be finishing work on "Forge".

#### v.0.5 - 2 months dev time

On this level all newest contracts from "Forge" - Whitelist, HubFactory, HubWallet will be deployed. It will be the start of forming real new homeostasis of the system. After that we think that a few "debug" releases will be necessary with different community proposals.

# v.1.0 - Postproduction (working out all the kinks for the release build) – 1 month dev time if no major issues crop up

The very first commercial version of this platform for public usage.

Global DNS and service locator improvements allow us to create a new internet browser, which would allow everyone to find and run services like <a href="https://servicename">https://servicename</a>.

Graphic UI improvements for each part of the system permit us to improve the user experience and start to widely expand among 'non-bitcoiners'.

We also believe that other companies will use our smart-contract's organization (Forge), which would allow them to use one contract-register and fair system protection from malicious users and fraud.

#### v.1.1

UX improvement, community proposals, feedback, debug, etc.

#### v1.n

Development of the new SOSNA version is started, which will be based on CoreOS (a system you could literally run everywhere - microwaves and washing machines). Seriously, read about CoreOS - it is awesome!

#### v.2.0

Release of SOSNA 2.0. Imagine if your smart-watches from Apple could earn you money? That's what we are talking about - When "Time is money!" is not just words.



#### Notes:

We will have a fully functional system, able to be used for any general-purpose computations, starting from the v.1.0. Most likely, by this stage SONM platform will have full-scale computational projects deployed with high turnover volume.

Moreover, by the v.1.0 we expect SONM to attract lots of the open-source community members, which means:

- The community will be independently creating lots of decentralized grid-compatible apps.
- Lots of brand new markets and teams are potentially going to appear, as well as lots of community-crafted tools for interaction with the SONM platform, most likely better than the original apps, developed by the SONM team. For example, the official geth Ethereum client made by Ethereum Foundation comparing to Parity by EthCore, or Windows Media Player compared to WinAmp or Internet Explorer comparing to Mozilla Firefox. We understand and welcome it.

That means that starting from this point we'll need to reduce our efforts for tools development and give way to the free market and community.

We'll focus on creating new formations for interaction with this market:

- a dedicated team developing decentralized computational power exchange;
- teams providing server hosting services based on the SONM platform;
- software for niche markets;
- various integration projects;
- external formations for tools development (like Metamask.io by ConsenSys)

I.e., by this point we will have a distinct division of SONM development areas. For example:

- original SONM core developers are creating basic protocols of the system;
- another team is creating apps within smart-solutions;
- SONM Exchange team is building UI-friendly tools for the interaction with buyers and managing the decentralized exchange;

# 3.3. Dissemination of the development process information

- The project team is responsible for making the results open to the public and for using all available resources to disseminate information about the project.
- At least once in a week we'll publish a report about current development results and issues.
- Report will contain current project needs and issues.
- All major breakthroughs will be communicated with all interested mass media and spread in major community forums like BitcoinTalk and CryptoCoin Talk.



# 4. SONM IN COMPARISON TO OTHER GRID COMPUTING PROJECTS

# 4.1. SONM in comparison to Golem Network

SONM has the following advantages compared to Golem:

**Golem network hasn't demonstrated any proof-of-concept yet.** Golem network currently isn't able to process general purpose computing. Their network is available in the test mode only for CGI rendering.

Furthermore, SONM uses Cocaine open source PaaS platform which is compatible with a more common and standardized BOINC platform, also used in lots of existing distributed projects, therefore SONM is compatible with many of them. Also, unlike BOINC, Cocaine platform support SaaS (Software as a service), widespread, modern and standard programming languages, isolated, safe and standard containers (Docker).

In addition, as we are developing SONM using a lot of open source technologies, we already have the core, network platform and most of the other important features of the project, and, in fact, we are ahead of the Golem project at least by two years of development.

**Golem's range of applications is still limited.** At the moment, efficiently tested tasks in Golem are limited only to rendering CGI in Blender.

**Golem has less functionality.** Golem represents the "peer-to-peer market" for computational resources. SONM is a cryptographically secure protocol providing tasks distribution, validation of results and proportional correct payment for the used computational power.

**Validation of the computing results.** The results validation system is one of the Golem project's weak points. Not all of the computations' results are being validated, so Golem is depending on their reputation system to prevent users from paying malicious miners for wrong results of calculations. This system is potentially vulnerable and can be exploited.

SONM uses Docker verification system allowing to check all the received results for correctness.

## 4.2. SONM in comparison to iEx.Ec project

**iEx.Ec uses its own XtremWeb-HEP protocol**. It is middleware similar to BOINC, however it is less tested and has a smaller community and support behind it.

Both in comparison with Golem and iex.ec we expect to get to the market faster due to usage of open source technologies and protocols. We use widespread time-tested technologies, so we've already implemented the core of the SONM system, most of its important functionality and we have the functional prototype available for community alpha testing.



# 4.3. SONM in comparison to Elastic Project

**Elastic team is anonymous.** The project is being developed by the Elastic community, and there are no team members showing their real identity. That way, in case of project failure, there is nobody to take responsibility.

**Elastic is an experimental non-commercial project.** In fact, Elastic developers are good engineers, but they lack marketing and PR, and don't think about the commercial side of the platform and monetization. They don't have any financial model or a clear marketing plan, so the future price of Elastic tokens and project market capitalization is very unclear. Also notable that Elastic had finished ICO crowd funding more than a year ago, but their tokens still aren't listed on any crypto exchange, and ICO investors still don't have access to the tokens.

Elastic uses a transactions pool for tasks, a mechanism similar to that used by traditional blockchain systems, such as cryptocurrencies. This leads to a serious problem: a transactions block must be confirmed in a certain amount of time, so a task must be processed in this certain time frame. In the case of general-purpose calculations (for example, protein folding), we can't know with certainty how much time will it take to process the task.

Elastic uses its own programming language to solve this issue with a mechanism, similar to Ethereum, which leads to excessive parallelism and the necessity to run the code on all machines in the network.

SONM uses a modified BOINC protocol, which was initially developed for volunteer grid computing and is much more efficient for tasks distribution and processing.

# 4.4. Differences from GridCoin, FoldingCoin and CureCoin

There are cryptocurrency projects such as CureCoin, FoldingCoin and GridCoin already involved in scientific distributed computing.

However, these projects use the white list selection for the scientific computing projects. They don't have and don't create a computing power market.

In our project any **buyer** can purchase computing power for a task of any size and any **seller** can rent computing power. Therefore, our main benefit compared to these projects is that SONM is not limited by a specific project's list. SONM will be a open decentralized secure computing power market available for everyone. However, SONM is fully compatible with these platforms, so once these projects start using SONM infrastructure, one may be able to earn SNM and corresponding tokens (FoldingCoin, GridCoin, CureCoin etc. also). Also, SONM is compatible with Grid apps, so any these apps can be run in our system.

# 4.5. Compatibility and integration with other decentralized on-demand computing services

Although we have mentioned differences between Golem, Elastic Project, iEx.Ec networks and SONM, pointing out some advantages of our project, we consider compatibility and possibility of these systems' integration as a big advantage of the SONM network and as a promising means of computing power usage optimization. Therefore, the goal is to create a global integrated computing platform, where SONM,



Golem, iEx.Ec and similar systems can be integrated together and computing power will flow toward the most profitable and efficient system.

One of our project's key goals is the development of intelligent, deep-learning based system, managing the efficiency of computing power usage for solving specific tasks.

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