

# Mosaic

## RUNNING META-BLOCKCHAINS TO SCALE DECENTRALISED APPLICATIONS

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### Abstract

This is a working draft summary of notes and whiteboard sessions as we have been iterating towards the implementation for Mosaic v0.10. This draft is shared for review and comments by the community. This is not the version intended for publication, and you are invited to review critically all content. The code is work in progress at [github.com/openstfoundation/mosaic-contracts](https://github.com/openstfoundation/mosaic-contracts).

## 1 Introduction

Mosaic is a parallelisation schema for decentralised applications. Mosaic introduces a set of Byzantine fault-tolerant (BFT) consensus rules to compose heterogeneous blockchain systems into one another. Decentralised application can use Mosaic to compute over a composed network of multiple blockchain systems in parallel.

A decentralised application is an application for which the computation is requested, performed, and paid for by independent actors. To ensure correct execution of decentralised computations first an order on the inputs of execution must be determinable. To date Ethereum is the leading network of nodes that enables developers to write and deploy code which can be called by independent users to collectively construct a shared state of the application.

The Ethereum network achieves agreement on the collective state by constructing a blockchain. A blockchain derives correctness from full replication

of the computation by nodes and for Ethereum today the chain is appended through Proof-of-Work consensus. Proof-of-Work (PoW) introduces a block reward incentive for nodes to keep producing blocks and thereby securing the chain of historical blocks. However, PoW produces a serial execution model and nodes cannot be collectively rewarded for the computation they all have to perform, which renders the system computationally inefficient<sup>1</sup>.

Active research and implementation work is ongoing to scale Ethereum's transaction throughput by dividing the verification work into multiple sections, also referred to as *shards*. At the same time Ethereum is committed to moving from the probabilistic Proof-of-Work consensus engine to a BFT based Proof-of-Stake (PoS) consensus engine<sup>2</sup>. The outset of a BFT consensus engine is to collectively produce a blockchain which provably - under certain honesty assumptions - cannot finalise conflicting blocks.

Thus far a vision for a decentralised web has been a major driver of innovation. However, to power global networks of billions of users and decentralised computation on vast decentralised data stores, it is reasonable to assume no single blockchain network will suffice as a backbone for all types of applications. Much like the internet is a composed network of networks, we can conceive decentralised applications to transcend any single blockchain and execute across a network of blockchain networks.

In this work we detail two protocols. A first layer-2 protocol constructs *meta-blockchains* on top of existing blockchain networks to extend their state space and transaction throughput capacity. A second protocol, called a *gateway*, acts as a message bus to send typed messages atomically between the underlying blockchain and a meta-blockchain running on top of it.

Together these two building blocks can be used by decentralised applications to construct a parallelisation schema to increase computational capacity at lower transaction cost. In the simplest form a decentralised application can offload transaction processing to a single meta-blockchain. More advanced applications can deploy logic across multiple meta-blockchains and process transactions in parallel while asynchronous messages can be sent between meta-blockchains.

## 2 Composing auxiliary systems into an origin

The meta-blockchain composes transactions executed on an auxiliary blockchain system into an origin blockchain, such that the capacity of the origin blockchain

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<sup>1</sup>explain verifiers dilemma

<sup>2</sup>refer to Ethereum v2

can be extended and the security properties of the origin blockchain can be inherited by the auxiliary blockchain.

To this end consider two blockchain systems, an origin blockchain  $O$  with state transition rules  $t_O$  which progress the state  $\Sigma_O$

$$t_O : \Sigma_O \rightarrow \Sigma'_O$$

and similarly consider an auxiliary system  $A$  with state transition rules  $t_A$  such that  $t_A : \Sigma_A \rightarrow \Sigma'_A$ .

Transition rules for the origin and auxiliary system can be similar but do not have to be. In our discussion, when we need an example, we will reference to the origin blockchain as Ethereum (Byzantium), running Proof-of-Work, and for the auxiliary system we consider Go-Ethereum, running “clique” Proof-of-Authority (PoA). We deliberately use PoA for our considerations for the auxiliary system to emphasise that the security for the composed auxiliary system is not derived from the consensus engine of the auxiliary system. Rather the security properties of the composed system must rely only on the security properties of the consensus rules of the origin blockchain and on the Mosaic BFT consensus rules composing the auxiliary system into the origin system<sup>3</sup>.

On the origin blockchain we define a meta-blockchain  $\mathcal{B}$  with a staked validator set  $\mathcal{V}_{\mathcal{B}}$ . The blocks  $B_i$  of  $\mathcal{B}$  are committed to a *core* contract on origin  $O$ . For a given history of  $O$ <sup>4</sup> the meta-blockchain cannot fork if we enforce that block  $B_{n+1}$  can only be (proposed and) committed after block  $B_n$  has been committed.

We define a meta-block  $B_i(K, T, S) : \Sigma_A \rightarrow \Sigma'_A$  to progress the state of the auxiliary system  $A$ , where we call  $K$  the *kernel*,  $T$  the *transition object* and  $S$  the *seal*. A block  $B_i$  at height  $i$  is committed with a seal  $S$  when a  $+\frac{2}{3}$  supermajority of the weighted votes has been verified<sup>5</sup>. We will detail later how the meta-block is constructed, but first we will describe the vote messages that together can combine to seal a meta-block.

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<sup>3</sup>The block proposers of the auxiliary system do have the ability to censor transactions from the auxiliary system if they have an ability to collude.

<sup>4</sup>The origin blockchain  $O$  might be probabilistically finalised, in which case it is easy to observe that a transaction to a contract can always assert that it is valid only on the intended branch of history by referencing a historical blockhash.

<sup>5</sup>While a vote counted on a BFT system itself is already BFT for a normal majority, we still require a supermajority, because the votes to commit a meta-block will be collected on the auxiliary system for which there is no assumption it is BFT, and we want Mosaic to be able to finalise transactions on the auxiliary system before they are committed to origin.

## 2.1 Checkpoint finalisation - Casper FFG

The reader is assumed at this point to be familiar with the work presented in *Casper the Friendly Finality Gadget*<sup>6</sup> (FFG), as we will build on the logic and proofs presented there. We will intend to align with definitions and notations where possible and highlight deviations where appropriate. In this section we briefly (and incompletely) summarise core concepts from the paper, so that the shared concepts are established for the reader.

Casper FFG presents an algorithm to build up an overlay network of vote messages presented to a smart contract about the blocks already produced by the underlying network of nodes running the blockchain. The overlay network aims to repeatedly economically finalise a single branch of the underlying network. It does so by allowing staked validators to cast votes which together can construct a *justified chain*.

A justified chain is formed by a sequence of *supermajority links*, where a link identifies a *source* blockhash  $s$  and height  $h_s$ , and a *target* blockhash  $t$  and height  $h_t$ . A vote message in Casper FFG is a signed link  $\langle s, t, h_s, h_t \rangle_v$  by a validator  $v$ . A  $+\frac{2}{3}$  supermajority of the same link signed is a supermajority link which justifies the target block if the source block is itself already justified<sup>7</sup>.

In the work it is shown that checkpoints along a justified chain can additionally be considered *finalised*, if and only if they are justified themselves and their direct child is justified. It is then shown that should validators finalise a checkpoint on a contradicting branch of the history of the underlying blockchain, then minimally  $\frac{1}{3}$  of the validator weight must have signed vote messages that violate either one of two rules, *the Casper slashing conditions*.

These slashing conditions can be intrinsically validated given two signed vote messages from a validator  $v$ . As such a validator must never sign two vote messages  $\langle s_1, t_1, h_{s_1}, h_{t_1} \rangle_v$  and  $\langle s_2, t_2, h_{s_2}, h_{t_2} \rangle_v$  for which either  $h_{t_1} = h_{t_2}$  or  $h_{s_1} < h_{s_2} < h_{t_2} < h_{t_1}$  holds.

It is additionally shown that validators can always finalise a new checkpoint, without being required to violate the slashing conditions given that the block proposers propose blocks to append to the finalised fork, ie. follow the fork selection rule of the overlay network.

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<sup>6</sup>ref: Casper the Friendly Finality Gadget by V. Buterin and V. Griffith, November 2017

<sup>7</sup>The genesis block of the auxiliary blockchain is considered justified by definition.

## 2.2 Finalising auxiliary systems

Given a validator set  $\mathcal{V}_B$  staked for the meta-blockchain on origin, validators  $v$  can submit vote messages on the auxiliary system about the auxiliary system of the form

$$\langle \tilde{T}, s, t, h_s, h_t \rangle_v \quad (1)$$

where  $\tilde{T}$  is the Keccak256 hash of the transition object  $T$ . We introduce a transition object hash in the vote message to externalise otherwise intrinsic properties of the auxiliary system. This transition object allows the Mosaic validators to coarse-grain and abstract the auxiliary system into a meta-blockchain when proposing meta-blocks on origin.

We require that any transition object is calculable by a smart contract on the auxiliary chain for any finalised checkpoint along the justified chain. For a given link, we define the transition object to refer to the state of the blockchain at source block height  $h_s$ . It then follows that for a given source blockhash  $s$   $\tilde{T}$  is uniquely determined by  $s$  and the same properties of accountable safety and plausible liveness hold for a finalised checkpoint on a justified chain constructed by such *externalised vote messages* (1), if we trivially extend the slashing conditions to accommodate for the transition object hash.

A validator  $v \in \mathcal{V}_B$  must never sign two externalised vote messages  $\langle \tilde{T}_1, s_1, t_1, h_{s_1}, h_{t_1} \rangle_v$  and  $\langle \tilde{T}_2, s_2, t_2, h_{s_2}, h_{t_2} \rangle_v$  such that any of the following three conditions holds:

1.  $h_{t_1} = h_{t_2}$ ,
2.  $h_{s_1} < h_{s_2} < h_{t_2} < h_{t_1}$ ,
3.  $s_1 = s_2 \wedge T_1 \neq T_2$ .

As the slashing conditions can be intrinsically asserted to have been violated given two externalised vote messages by the same validator, there is no communication overhead to assert a possible violation of these conditions on the origin blockchain; even if the justified chain is being constructed on the auxiliary system. As a result the validators in  $\mathcal{V}_B$  can be held accountable on the origin blockchain for their voting actions on the auxiliary system. The slashing condition can be asserted on both systems and there is a clear incentive for the honest validators to assert any violation without delay on both the origin and auxiliary system, naturally synchronising the validator weights when such an event occurs.

We will later in this work address a dynamic validator set  $\mathcal{V}_{\mathcal{B}}$ , where validators can join and log out on the origin system. However, already with a static validator set, we can observe that the finality gadget first introduced for (re)defining economic finality in layer-2 of Ethereum’s PoW - turning miners into mere block proposers and introducing a PoS (partial) consensus engine in the smart contract layer - can also be applied to finalise an independent (auxiliary) system with a validator set whose stake is held on an external (origin) blockchain.

## 2.3 Observing origin

Per construction the finalisation of the auxiliary system by the Mosaic validators economically binds the block proposers of the auxiliary system to the Mosaic fork selection. By finalising the auxiliary system the Mosaic validators reach consensus about the auxiliary system itself. However, to construct a meta-blockchain we will additionally require the Mosaic validators to reach consensus about their observation of the origin blockchain on the auxiliary system.

To achieve this the Mosaic validators can construct a justified chain and finalise checkpoints along it for reported blocks of the origin blockchain on the auxiliary system. The incentive structure is now reversed and the origin blockchain is in no way incentivised (nor should it be) to follow the fork selection rule of how a meta-blockchain’s validator set finalised its observation of the origin blockchain.

In case the origin blockchain is probabilistically finalised, then it is always possible that the Mosaic validators of a given meta-blockchain running on top of the origin blockchain, would economically finalise an observation of origin on the auxiliary system which is (later) reverted by the origin blockchain - even if they sufficiently trailed the head of origin. Note that the validators cannot revert their finalised observation, because they would be required to sign vote messages which would violate the slashing conditions.

Under this scenario we must force the meta-blockchain to halt at the highest finalised checkpoint of the auxiliary system which was still consistent with its observation of the (now reverted) history of the origin blockchain. This property can be enforced by including in the transition object of the justified chain of the auxiliary system the highest finalised block number and blockhash of the origin system as observed on the auxiliary system.

$$T = (O, \dots)$$

We will show later that a simple verification game can be constructed to ensure that no intermediary, contradictory branches would have been finalised as observations of origin on the auxiliary system.

## 2.4 Proposing meta-blocks on origin

## 2.5 Dynamic set of validators

The set of Mosaic validators needs to be able to change. A validator can join the set of validators by sending a deposit transaction to the stakes contract on origin. The amount of stake of the validator is based on the amount of value that the validator sends with the deposit transaction.

When a validator wants to leave the set of validators, it sends a logout message to the stake contract on origin. The validator's weight is reduced to zero, therefore the validator leaves the set of validators.

When a validator casts a vote on auxiliary, the vote carries a specific weight. The initial weight of a new validator is equal to the stake on origin. When we say that a vote receives a  $\frac{2}{3}$  majority, we mean that at least  $\frac{2}{3}$  of the total voting weight on auxiliary have cast that vote. A validator's stake may be reduced to a non-zero value, e.g. by slashing. However, in any slashing case the weight will always go to zero immediately.

We defend against long range revision attacks the same way casper does. Four months after the validator left the set of validators, the validator can withdraw its stake.

Casper FFG defines a stitching mechanism for a changing set of validators. It prevents a case where a significant change in validators from one dynasty to the next could result in conflicting finalised checkpoints on different forks. They define a forward validator set and a rear validator set based on the start dynasty and end dynasty of a validator. In the case of Mosaic, however, validators do not join and leave the set of validators within two dynasties, but rather two meta-blocks. When a validator sends a deposit or logout message at meta-block height  $i$ , the change is announced to auxiliary with the opening of meta-block  $i + 1$ . The auxiliary system will update the validator's weight with the opening of meta-block  $i + 2$  and the validator will join or leave the set of validators. We call that meta-block the start meta-block or end meta-block. Following this change, the forward and rear validator sets are based on the start meta-block and end meta-block, respectively, instead of the start dynasty and the end dynasty.

The same public key can only deposit and withdraw once. It cannot join the set of validators multiple times or change its stake.

**3    A mosaic of cores**

**4    Gateway**

**5    Outlook**

**6    Conclusion**

**7    Appendix**

**References**