Blockchain System

1 Definitions

Definition 1. Let **Elt** be the set of (concrete) elements. Let \emptyset be an empty set and $\mathbf{e} \in \mathbf{Elt}$. A set of elements is expressed as the following syntax: $\mathbf{s} ::= \emptyset \mid \mathbf{e} \mid \mathbf{s} :: \mathbf{s}$

1.1 Local Node

Definition 2. An account is a tuple $\langle pak, puk \rangle$, where pak is its private key and puk is its public key.

Definition 3. Operations are defined by the following grammar:

```
op ::= transfer n from puk to puh arg s fee m
| originate contract id transferring n from puk running code init s fee m
```

Definition 4. The state of a node is a tuple N = [C, O] where C is a set of accounts and O a set of operations.

1.2 Global

Definition 5. A manager manages a single account. It is represented by a tuple $\langle puk, pkh, bal, cou \rangle$, where puk is the public key of an account, pkh is its public key hash, bal is its balance and cou is its counter whose form is a pair (n,b), where n is a natural number and b is a boolean value.

Definition 6. A contractor manages a smart contract. It is represented by a tuple $\langle puh, bal, code, storage \rangle$, where puh is the public hash of the contract, bal is its current balance, code is its code, and storage is its current storage.

Definition 7. A query is defined by the following grammar:

```
qry ::= get balance for pkh/puh
| get status for oph
| getStorage puh
| get code for puh
| get public key for pkh
| get counter for pkh
```

When an operation is injected in a node, it enters a *pending pool* (and is called a *pending operation*).

Definition 8. A pending operation is a tuple $\langle op, oph, t \rangle$, where op is an operation, oph is the operation hash, and t is the time when the operation was injected.

After some time, a pending operation may be included in the blockchain as an accepted operation.

Definition 9. An accepted operation is a tuple $\langle op, oph, t \rangle$, where op is an operation, oph is the operation hash, and t is the time when it was included in the blockchain.

Definition 10. The state of a blockchain is a tuple [P, A, M, T, t] where P is a set of pending operations, A is a set of accepted operations, M is a set of managers, T is a set of contractors, and t is the current time.

Definition 11. A blockchain configuration is a pair $N \parallel B$ where

- 1. N = [C, O, S] is the state of a node, and
- 2. B = [P, A, M, T, t] is the state of a blockchain such that $\forall c \in C \implies \exists k \in M, k.pkh = c.pkh$ and $\forall s \in S \implies \exists p \in T, s.puh = p.puh$.

2 Rules

2.1 Transitions on Nodes

Each node has (nondeterministic) rules to propose an operation. When an operation **op** appears, we check that the account is local by looking up its public key **op.puk** in the local accounts **C** and consider it signed with the corresponding private key **pak**.

$$\frac{\langle \mathbf{pak}, \mathbf{op}. \mathbf{puk} \rangle \in \mathbf{C}}{[\mathbf{C}, \mathbf{O}] \longrightarrow_{N} [\mathbf{C}, \mathbf{op} :: \mathbf{O}]} \qquad \frac{\text{Node-System}}{\mathbf{N} \longrightarrow_{N} \mathbf{N}'} \qquad \frac{\mathbf{B} \longrightarrow_{B} \mathbf{B}'}{\mathbf{N} :: \overline{\mathbf{N}} \| \mathbf{B} \longrightarrow \mathbf{N}' :: \overline{\mathbf{N}} \| \mathbf{B}} \qquad \frac{\mathbf{B} \longrightarrow_{B} \mathbf{B}'}{\overline{\mathbf{N}} \| \mathbf{B} \longrightarrow \overline{\mathbf{N}} \| \mathbf{B}'}$$

2.2 Transfers

Rule 2 [injected]:

$$\begin{split} \operatorname{chkBal}(\mathbf{M}, \mathbf{puk}, \mathbf{n}, \mathbf{m}) & \operatorname{chkCount}(\mathbf{M}, \mathbf{puk}) & \operatorname{chkPub}(\mathbf{M}, \mathbf{puk}') \\ \mathbf{op} &= \operatorname{transfer} \ \mathbf{n} \ \operatorname{from} \ \mathbf{puk} \ \operatorname{to} \ \mathbf{puk}' \ \operatorname{arg} \ () \ \operatorname{fee} \ \mathbf{m} \\ & \mathbf{oph} &= \operatorname{genOpHash}(\mathbf{puk}, \mathbf{puk}', \mathbf{n}, \mathbf{m}, \mathbf{t}) \\ \hline & [\mathbf{C}, \mathbf{op} :: \mathbf{O}] \| [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \longrightarrow \\ [\mathbf{C}, \mathbf{O}] \| [\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \operatorname{updCount}(\mathbf{M}, \mathbf{puk}, \mathbf{True}), \mathbf{T}, \mathbf{t}] \end{split}$$

Rule 3 [rejected of counter]:

$$\frac{\neg \operatorname{checkCou}(\mathbf{M}, pkh)}{\langle [\mathbf{C}, (\operatorname{transfer} n \text{ from } pkh \text{ to } pkh' \text{ fee } m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow} (1)$$
$$\langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 4 [rejected of balance]:

$$\frac{\neg \operatorname{checkBal}(\mathbf{M}, pkh, m, n)}{\langle [\mathbf{C}, (\operatorname{transfer} n \text{ from } pkh \text{ to } pkh' \text{ fee } m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow} (2)$$
$$\langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 5 [rejected of public key]:

$$\frac{\neg \operatorname{checkPub}(\mathbf{M}, pkh')}{\langle [\mathbf{C}, (\operatorname{transfer} n \operatorname{from} pkh \operatorname{to} pkh' \operatorname{fee} m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow} \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$
(3)

Rule 6 [included]:

BLOCK-ACCEPT
$$\mathbf{op} = \text{transfer } \mathbf{n} \text{ from } \mathbf{puk} \text{ to } \mathbf{puk'} \text{ arg () fee } \mathbf{m} \qquad \mathbf{t'} - \mathbf{t} < 60$$

$$[\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t'}] \longrightarrow_{B} [\mathbf{P}, \langle \mathbf{op}, \mathbf{oph}, \mathbf{t}, \mathbf{t'} \rangle :: \mathbf{A}, \text{updSucc}(\mathbf{M}, \mathbf{puk}, \mathbf{puk'}, \mathbf{n}, \mathbf{m}), \mathbf{T}, \mathbf{t'} + 1]$$

Rule 7 [timeout]: (applies to both, implicit transfers and contract invocations)

BLOCK-TIMEOUT

$$\frac{\mathbf{op} = \text{transfer } \mathbf{n} \text{ from } \mathbf{puk} \text{ to } \mathbf{puk'}/\mathbf{puh} \text{ arg } \mathbf{s} \text{ fee } \mathbf{m} \qquad \mathbf{t'} - \mathbf{t} \ge 60}{[\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t'}] \longrightarrow_{B} [\mathbf{P}, \mathbf{A}, \text{updCount}(\mathbf{M}, \mathbf{puk}, \mathbf{False}), \mathbf{T}, \mathbf{t'}]}$$

2.3 Smart Contracts

A. Originate

Rule 2 [injected]:

BLOCK-ORIGINATE

 $\begin{array}{ccc} \operatorname{chkBal}(\mathbf{M},\mathbf{puk},\mathbf{n},\mathbf{m}) & \operatorname{chkCount}(\mathbf{M},\mathbf{puk}) & \operatorname{chkPrg}(\mathbf{code},\mathbf{s}) \\ \mathbf{op} = \operatorname{originate\ contract\ id\ transferring\ n\ from\ \mathbf{puk}\ running\ \mathbf{code}\ init\ \mathbf{s}\ fee\ \mathbf{m}} \\ & \mathbf{oph} = \operatorname{genHash}(\mathbf{id},\mathbf{code},\mathbf{s},\mathbf{t}) \end{array}$

$$\frac{\langle [\mathbf{C}, \mathbf{op} :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow}{\langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathrm{updCount}(\mathbf{M}, \mathbf{puk}, \mathbf{True}), \mathbf{T}, \mathbf{t}] \rangle}$$

Rule 3 [rejected of code]:

$$\frac{\neg \operatorname{checkPrg}(code, s)}{\langle [\mathbf{C}, (\operatorname{originate contract}\ id\ \operatorname{transferring}\ n\ \operatorname{from}\ pkh\ \operatorname{running}\ code\ \operatorname{init}\ s)} {:: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle}$$

Rule 4 [rejected of counter]:

$$\frac{\neg \operatorname{checkCou}(\mathbf{M}, pkh)}{\langle [\mathbf{C}, (\operatorname{originate contract} id \operatorname{transferring} n \operatorname{from} pkh \operatorname{running} \operatorname{code} \operatorname{init} s))} (5) \\ :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 5 [rejected of balance]:

$$\frac{\neg \operatorname{checkBal}(\mathbf{M}, pkh, n, m)}{\langle [\mathbf{C}, (\operatorname{originate contract} id \operatorname{transferring} n \operatorname{from} pkh \operatorname{running} \operatorname{code} \operatorname{init} s)} \\ :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle \rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$
(6)

Rule 6 [included]:

BLOCK-ACCEPT

 ${\bf op}={\rm originate}$ contract ${\bf id}$ transferring ${\bf n}$ from ${\bf puk}$ running ${\bf code}$ init ${\bf s}$ fee ${\bf m}$ ${\bf t'}-{\bf t}<60$

$$\frac{\langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}'] \rangle \longrightarrow \langle [\mathbf{C}, \mathbf{O}, \langle \mathbf{id}, \mathbf{oph}, \mathbf{code} \rangle :: \mathbf{S}], }{\langle [\mathbf{P}, \langle \mathbf{op}, \mathbf{oph}, \mathbf{t}, \mathbf{t}' \rangle :: \mathbf{A}, \mathrm{updSucc}(\mathbf{M}, \mathbf{puk}, \mathbf{n}, \mathbf{m}), \langle \mathbf{oph}, \mathrm{getStorage} \ (\mathbf{code}, \mathbf{s}) \rangle :: \mathbf{T}, \mathbf{t}' + 1] \rangle }$$

Rule 7 [timeout]:

BLOCK-TIMEOUT

 $\mathbf{op} = \text{originate contract id transferring } \mathbf{n} \text{ from } \mathbf{puk} \text{ running } \mathbf{code} \text{ init } \mathbf{s} \text{ fee } \mathbf{m}$

$$[\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}'] \longrightarrow_B [\mathbf{P}, \mathbf{A}, \mathrm{updCount}(\mathbf{M}, \mathbf{puk}, \mathbf{False}), \mathbf{T}, \mathbf{t}']$$

B. Transfer

Rule 2 [injected]:

Rule 3 [rejected of counter]:

$$\frac{\neg \operatorname{checkCou}(\mathbf{M}, pkh)}{\langle [\mathbf{C}, (\operatorname{transfer} n \operatorname{from} pkh \operatorname{to} puh \operatorname{arg} s \operatorname{fee} m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle} (7) \rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 4 [rejected of balance]:

$$\frac{\neg \operatorname{checkBal}(\mathbf{M}, pkh, n, m)}{\langle [\mathbf{C}, (\operatorname{transfer} n \text{ from } pkh \text{ to } puh \text{ arg } s \text{ fee } m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle}$$
(8)
$$\rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 5 [rejected of public hash]:

$$\frac{\neg \operatorname{checkPuh}(\mathbf{T}, puh)}{\langle [\mathbf{C}, (\operatorname{transfer} n \operatorname{from} pkh \operatorname{to} puh \operatorname{arg} s \operatorname{fee} m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle}$$
(9)
$$\rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 6 [rejected of argument]:

$$\frac{\neg \operatorname{checkArg}(\mathbf{T}, \operatorname{puh}, s)}{\langle [\mathbf{C}, (\operatorname{transfer} n \text{ from } \operatorname{pkh} \text{ to } \operatorname{puh} \text{ arg } s \text{ fee } m) :: \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle}^{(10)}$$

$$\rightarrow \langle [\mathbf{C}, \mathbf{O}, \mathbf{S}], [\mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t}] \rangle$$

Rule 7 [included]:

$$\frac{\mathbf{op} = \text{transfer } \mathbf{n} \text{ from } \mathbf{puk} \text{ to } \mathbf{puh} \text{ arg } \mathbf{s} \text{ fee } \mathbf{m} \qquad \mathbf{t'} - \mathbf{t} < 60}{[\langle \mathbf{op}, \mathbf{oph}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t'}] \longrightarrow_{B}}[\mathbf{P}, \langle \mathbf{op}, \mathbf{oph}, \mathbf{t}, \mathbf{t'} \rangle :: \mathbf{A}, \text{updSucc}(\mathbf{M}, \mathbf{puk}, ", \mathbf{n}, \mathbf{m}), \text{updConstr}(\mathbf{T}, \mathbf{puh}, \mathbf{n}, \mathbf{s}), \mathbf{t'} + 1]}$$

Rule 8 [timeout]:

$$\frac{\mathbf{t'} - \mathbf{t} \ge 60}{[\langle \text{transfer } \mathbf{n} \text{ from } \mathbf{puk} \text{ to } \mathbf{puh} \text{ arg } \mathbf{s} \text{ fee } \mathbf{m}, \mathbf{t} \rangle :: \mathbf{P}, \mathbf{A}, \mathbf{M}, \mathbf{T}, \mathbf{t'}] \to}$$

$$[\mathbf{P}, \mathbf{A}, \text{updCount}(\mathbf{M}, \mathbf{puk}, \mathbf{False}), \mathbf{T}, \mathbf{t'}]$$
(11)

3 Functions

- 1. Function checkAcc(pkh, C) checks whether an account pkh exists in C
- 2. Function checkPub(K, pkh) checks whether the public key of the public key hash pkh is reveled to the blockchain.
- 3. Function checkBal(K, pkh, n, m) checks whether the balance of the account pkh is greater or equal to m+n
- 4. Function checkCou(K, pkh) checks whether the current counter of an account phk is unlocked (i.e., its flag is False)
- 5. Function updateSucc(K, pkh, pkh', n, m) updates the balance and the counter of the account phk and the balance of the account phk', where
 - < puk, pkh, bal, (n, True) > =>
 - < puk, pkh, bal n m, (n + 1, False) >
 - < puk', pkh', bal', cou' > => < puk', pkh', bal' + n, cou' >
- 6. Function updateCou(K, puk, b') updates the counter lock of the account phk (True = lockeed, False = unlocked), where

```
- < puk, pkh, bal, (n, b) > => < puk, pkh, bal, (n, b') >
```

- 7. Function checkId(id, S) checks whether a contract id does not already exist in S
- 8. Function checkPrg(code, s) checks whether the code code are well type and s is well type input
- 9. Function generateOph(pkh,pkh', n, m, t) generates a operation hash
- 10. Function generateHash(S, id, puh, code, t) generates the public hash of a contract
- 11. Function getStorage(code, s) gets the storage for the code code and the input s

4 Some implementations

Function checkAcc(puh, C) checks whether an account exists and and checkPuk(puh, K) checks the revelation of its public key to the blockchain.

```
let rec checkAcc puh C =
  match C with
  | 0 -> false
  | < als, pak, puk, pkh' > :: C' ->
    if (puh = puh') then true
    else checkAcc (puh, C')
let rec checkPuk puh K =
  match C with
  | 0 -> false
  | < als, pak, puk, pkh' > :: K' ->
    if (puh = puh') and (puk =/= nil) then true
    else 5checkPuk (puh, K')
   The following functions interact with M.
let rec checkBal K puk n m =
  match K with
  | 0 -> true
  | < puk', bal, cou > :: K' ->
    if (puk = puk') and (n + m) \le bal then true
    else checkBal (K', puk, n, m)
let rec checkPub K puk =
  match K with
  | 0 -> false
  | < puk', bal, cou > :: K' ->
    if (puk = puk') then true
    else checkExi (K', puk)
```

```
let rec checkCou K puk =
 match K with
  | 0 -> false
  | < puk', bal, cou > :: K' ->
    if (puk = puk') and (cou = T) then true
    else checkCou (K', puk)
let rec updateCou K puk =
  match K with
  | 0 -> 0
  | < puk', bal, cou > :: K' ->
    if (puk = puk') then < puk', bal, F > :: K'
    else < puk', bal, cou > :: updateCou (K', puk)
let rec updateSucc K puk puk' m n =
  match K with
  | 0 -> 0
  | < puk'', bal, cou > :: K' ->
    if (puk = puk'') then < puk'', bal - (n + m), T >
       :: updateSucc (K', puk, puk', n, m)
    else if (puk' = puk'') then < puk'', bal + n, cou > :: K'
        else < puk'', bal, cou >
               ::updateSucc (K', puk, puk', n, m)
```