

Lotterium

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1 Introduction

A contract for a decentralized fair lottery was constructed to fulfill the requirements that ensure winner selection is not biased by any single party:

- each participant contributes a secret input along with their bet in phase 1
- no further input can be made after secret inputs are revealed in phase 2
- secret inputs are combined to select a random winner
- winners are selected according to their bet ratio
- a honesty deposit is required per buy-in
- the pot for the honesty deposit is distributed to participants who reveal their secret inputs in phase 2
- the honesty deposit increases in the case of dishonest play, and decreases in the case of honest play
- each phase should have some way to track gameplay length
- anybody can call for the reward function to select a winner and complete the payout in phase 3
- anybody should be able to create concurrent lottery rounds

2 Methodology

2.1 Phase 1 - Secret Input and Betting

Each buy-in is stored as a `struct Ticket` that is mapped to the player's address within each `struct Game`. The user's 32-byte input is hashed and stored in the ticket.

2.2 Phase 2 - Resolution of Secret Inputs

When the time allocated for phase 1 is over, `resolveGame()` is allowed to be called by players. Players will have the same amount of time as allocated to phase 1 to submit their initial secret inputs. The hashes of the submissions are compared to their ticket to determine their honesty. Honest players are then added to the `honestPlayers` list.

User inputs of honest players are combined by `mergeHash()`. This interleaves `bytes32` positions of `game.combinedInput`, which is a running hash of inputs, with the `bytes32` submitted input, resulting in a length of 64 bytes. The combined input is re-hashed using `keccak256` again resulting in a 32-byte long hash.

2.3 Phase 3 - Deposit Disbursement and Winner Selection

When the time allocated for phase 2 is over, `getPayout()` is allowed to be called by players. If no winner has been selected yet, `depositPot` is disbursed equally to the list of `honestPlayers`, and `currentDeposit` is adjusted for new rounds.

`game.combinedInput` is casted to `uint256` and the modulus against `game.jackpot + 1` is used to obtain a `combinedRandom` number that falls within the range of `game.jackpot`. The running total of bets made by each honest player is then summed up until it exceeds the `combinedRandom` number, which determines the lottery winner.

2.4 Concurrent Lottery Rounds

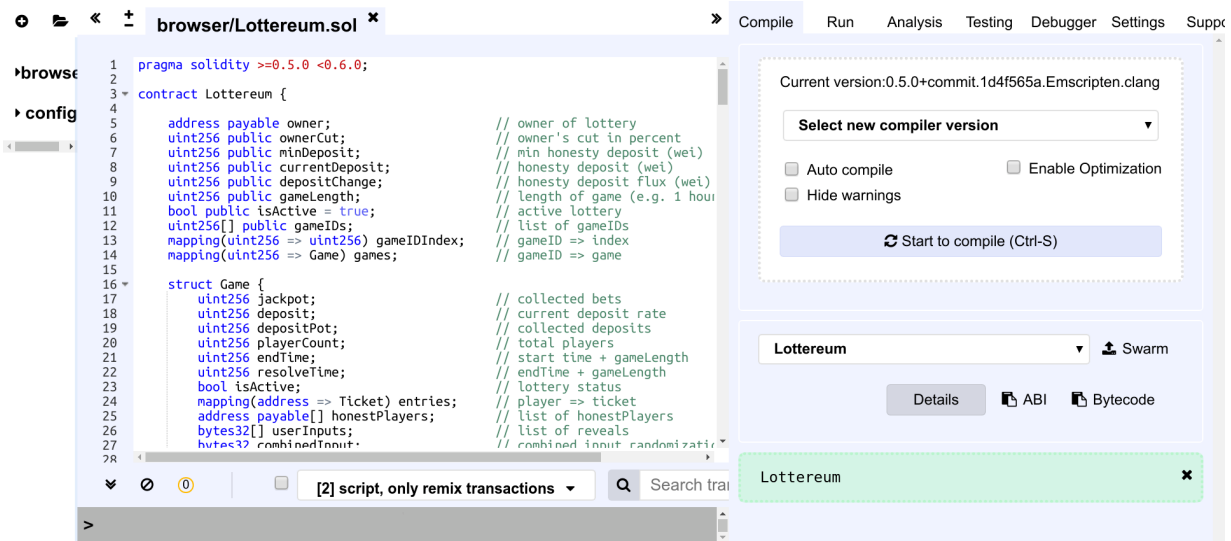
Games are identified by their current block's timestamp in epoch time (`now`). Multiple active `gameIDs` are tracked using an array. The array of games is trimmed whenever a game expires.

2.5 Tracking Gameplay Length

Each phase of a game is tracked by adding time in seconds to the `gameID`. The game's `endTime` and `resolveTime` compared to `now` determines when a function call for the respective phase is allowed to execute.

3 Results

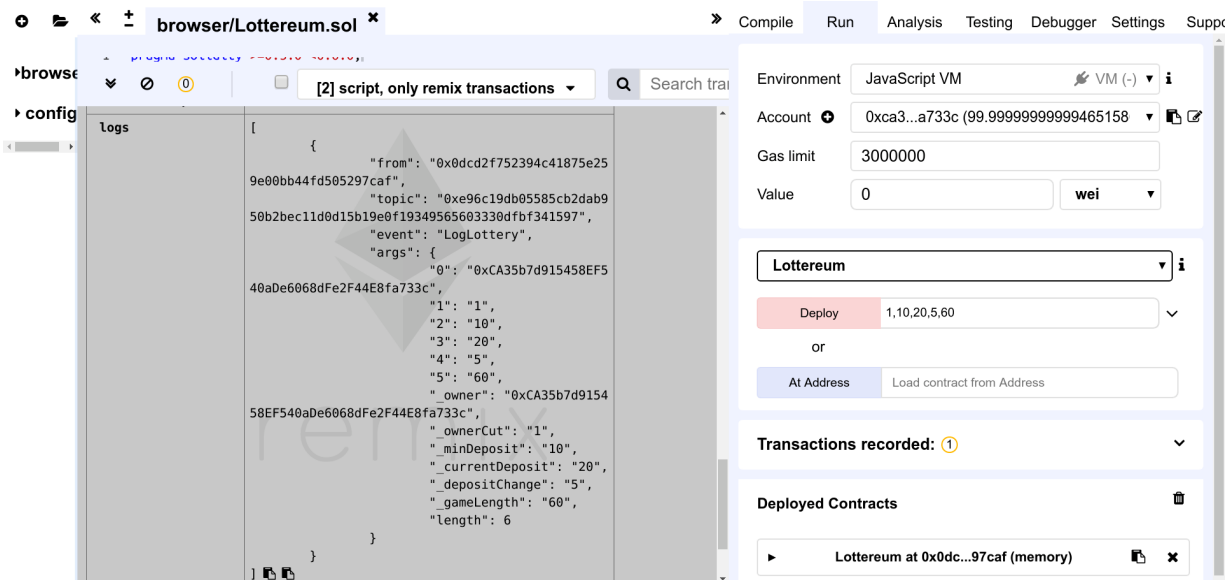
3.1 Successful Compilation



Compiled with solidity 0.5.0

`solidity >= 0.5.0` was chosen to adapt to breaking changes and to keep the contract code future-proof for as long as possible.

3.2 Deploying the Contract



Contract deployment

The contract can be deployed with user-defined variables. In the above figure, the contract was deployed with the owner taking 1% of the winnings, a minimum honesty deposit of 10 wei, a current deposit of 20 wei, a fluctuation of 5 wei, and a game time of 60 seconds.

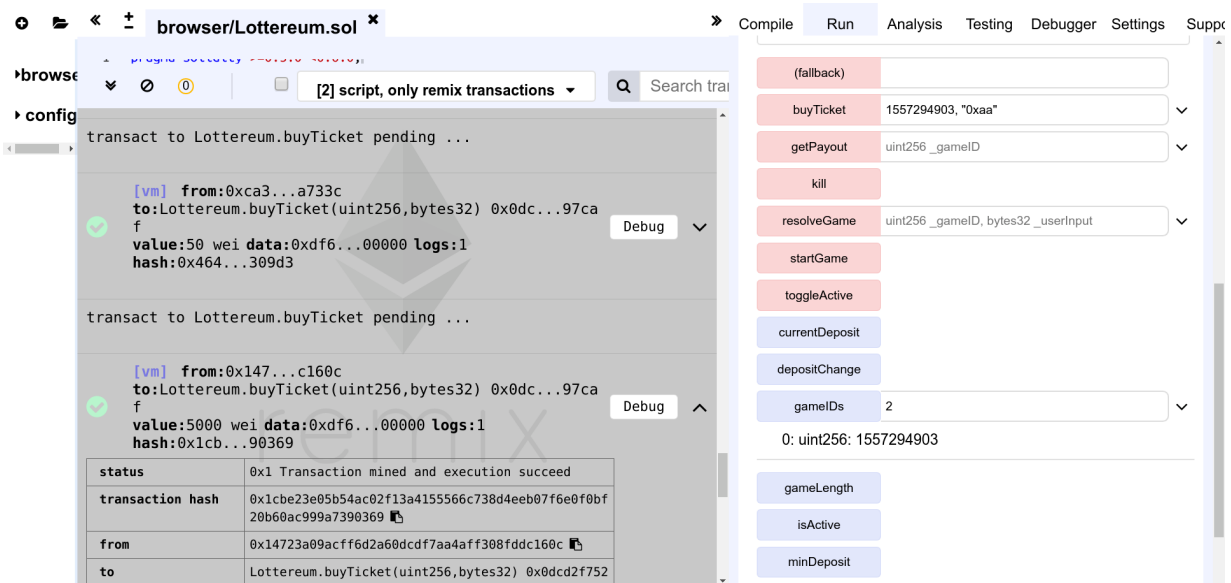
3.3 Starting Multiple Games



Multiple games can be started

Concurrent games can be started by anybody. The games are tracked by their GameIDs, which can be retried by checking their index limited by showGameCount.

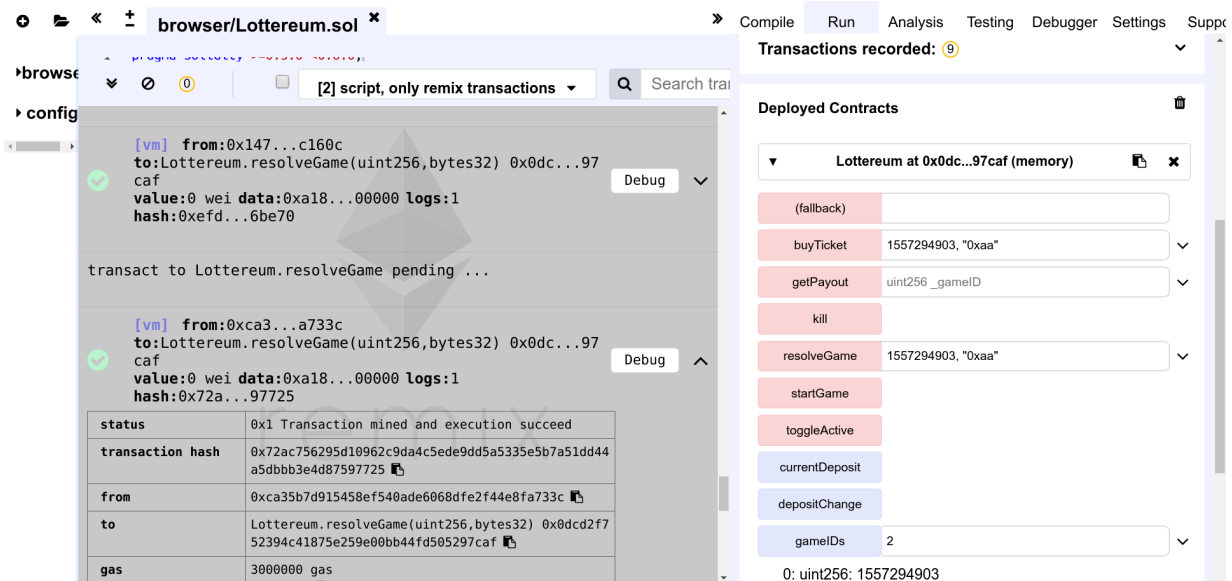
3.4 Buying Tickets



Buying ticket from different accounts

Two tickets were purchased by two accounts. 0xca3...a733c purchased a ticket worth 50 wei, while 0x147...c160c purchased a ticket worth 5000 wei. 20 wei will be taken from each player for their deposit. Each player also has to provide a bytes32 input during their purchase, which is hashed and stored in their Ticket.

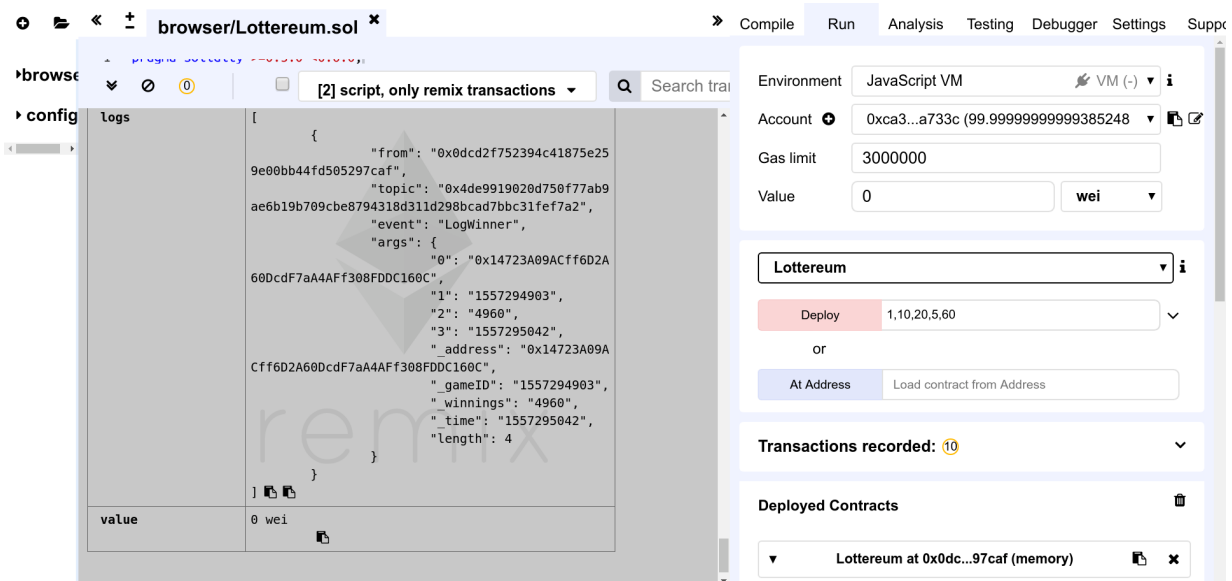
3.5 Resolving Secret Inputs



Resolving inputs from different accounts

Both accounts that purchased a ticket send in their inputs again during the game resolution phase in order to participate in the draw.

3.6 Getting Payouts



Requesting for the winner and getting payouts

The screenshot shows the first account 0xca3...a733c requesting for payout during the payout phase. Unsurprisingly, 0x147...c160c who bet a comparatively large amount was chosen as the winner, with a payout of 4960 wei. This amount is a result of the following:

Players	Bets	Deposit	Cut	Total
0xca3	50	20	0.3	30
0x147	5000	20	49.8	4930

The game cleans itself up at the end of `getPayout()`, removing itself from the array of `GameIDs` in order to get some gas refund.

3.7 Honesty Deposit

The screenshot shows the Remix IDE interface. The left pane displays a transaction call log for `Lotterium.currentDeposit()` with the following details:

transaction hash	0x410a36f4e964ebd9a851dd4ced4d70b48b21d86ed93732e1e9897e629c9a8cce
from	0xca35b7d915458ef540ade6068dfe2f44e8fa733c
to	Lotterium.currentDeposit() 0x0dcd2f752394c41875e259e00bb44fd505297caf
transaction cost	21908 gas (Cost only applies when called by a contract)
execution cost	636 gas (Cost only applies when called by a contract)
hash	0x410a36f4e964ebd9a851dd4ced4d70b48b21d86ed93732e1e9897e629c9a8cce
input	0xe94...b2f44
decoded input	{}
decoded output	{ "0": "uint256: 15" }
logs	[]

The right pane shows the `Lotterium` contract state with the following values:

- `buyTicket`: 1557294903, "0xaa"
- `getPayout`: 1557294903
- `kill`
- `resolveGame`: 1557294903, "0xaa"
- `startGame`
- `toggleActive`
- `currentDeposit`: 0: uint256: 15
- `depositChange`
- `gameIDs`: 2
- `gameLength`: 0: uint256: 1557294903
- `isActive`

Reduced honesty deposit

The honesty deposit reduces to 15 wei as players were honest.

3.8 Dishonest Play

The screenshot shows the Remix IDE interface. The left pane displays a transaction call log for `Lotterium.buyTicket()` with the following details:

transaction hash	0x22e...84efb
from	0x147...c160c
to	Lotterium.buyTicket(uint256, bytes32) 0x860...24b9
value	0 wei
data	0xdf6...00000
logs	0
hash	0x22e...84efb

The right pane shows the `Lotterium` contract state with the following values:

- `buyTicket`: 1557297660, "0xbb"
- `getPayout`: uint256 _gameID
- `kill`
- `resolveGame`: 1557297660, "0xbb"
- `startGame`
- `toggleActive`
- `currentDeposit`
- `depositChange`
- `gameIDs`: uint256
- `gameLength`: 0: uint256: 1557297660

Second round of buy-ins

A second round of lottery was conducted to demonstrate dishonest play. Note the buy-in does not occur if the bet amount falls below the deposit (currently at 15 wei).

The screenshot shows the Remix IDE interface for the Lotterium contract. The 'decoded output' pane displays a log entry for a 'LogWinner' event. The event arguments include the winner's address (0x14723A09ACff6D2A60DcdF7aA4AFf308FDDC160C), the game ID (1557297660), the winnings (515), the time (1557297801), and the game length (4). The 'value' pane shows 0 wei. The right-hand 'ContractDefinition' pane lists various functions like resolveGame, startGame, toggleActive, currentDeposit, depositChange, gameIDs, gameLength, isActive, minDeposit, ownerCut, and showGameCount.

Increased honesty deposit

This time, 0xca3...a733c does not resubmit the secret input. 0x147...c160c then wins. Note the `currentDeposit` has risen back to 20 wei after the game resolution due to dishonest play.

4 Source Code

The source code for Lotterium can be found on [Github](#).