A Mempool Encryption Scheme for Ethereum via Multiparty Delay Encryption

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Abstract. Ethereum is a decentralized and permissionless network offering several attractive features. However, block proposers in Ethereum can exploit the order of transactions to extract value. This phenomenon, known as maximal extractable value (MEV), not only disrupts the optimal functioning of different protocols but also undermines the stability of the underlying consensus mechanism. Furthermore, current block production architecture allows transaction censorship that compromises credible neutrality, a fundamental principle of Ethereums design philosophy. In this work, we present a novel *mempool encryption* scheme to alleviate the censorship and MEV problem by separating transaction inclusion and execution, keeping transactions encrypted before execution. We formulate the notion of multiparty delay encryption (MDE) and construct a practical MDE scheme based on time-lock puzzles. Our method excels in scalability (in terms of transaction decryption), efficiency (minimizing communication and storage overhead), and security (with minimal trust assumptions). To demonstrate the effectiveness of our MDE scheme, we have implemented it on a local Ethereum testnet and prove its security under the presence of only one honest attestation aggregator per Ethereum slot.

Keywords: Maximal Extractable Value \cdot Time-lock Puzzle \cdot Multiparty Computation.

1 Introduction

Blockchain-based smart contract platforms such as Ethereum offer several attractive features, including integrity and transparency in execution, and immutability. This has enabled a broad range of emerging applications [43,1] such as *decentralized finance* (DeFi). Today's mainstream smart contract platforms are designed in such a way that (1) pending transactions have no privacy, and (2) block proposers have unrestricted rights of inclusion and ordering of transactions within their block. More elaborately, users create their transactions in *plain-text* and broadcast it to the blockchain network where every node maintains its local view of pending transactions in a data structure called *mempool*⁵. Finally, it is up to a block proposer to include those transactions and decide the ordering. Thus, the block proposer can effectively censor certain transactions based on their content; or extract value from the ordering of transactions, a phenomenon frequently referred to as *miner/maximal extractable value* (MEV) in the literature [18].

If a substantial portion of block proposers actively censor transactions, motivated by financial gains or coerced through regulation, it can result in (i) undermining the credible neutrality of Ethereum and (ii) compromising the safety of time-sensitive DeFi applications operating on Ethereum (*e.g.* censoring oracle updates or liquidation transactions). Similarly, the ramifications of MEV ripple across the security and efficiency of the underlying blockchain platform [34,29], including (i) destabilization of the consensus mechanism [13], (ii) centralization of the network [47], and (iii) financial inefficiencies that deteriorate the user experience [18]. Specifically, in the last few months, almost 70% of blocks in Ethereum were actively censoring certain transactions [45]. Moreover, as of the time of this writing, the realized value attributed to MEV since The Merge has surged past an astonishing 300,000 ETH [20].

Motivated by the adverse implications of censorship attacks and MEV, the notion of mempool encryption (a.k.a., mempool privacy) was introduced and studied in the literature [36,7,24]. Mempool encryption, at its core, is a scheme to encrypt transactions so that their content remains private until their inclusion is finalized, and inclusion guarantees decryption and execution. One can verify that an ideal mempool encryption scheme severely limits a proposer's ability to censor transactions based on their content or extract MEV. In addition, mempool encryption removes the burden of policing transactions for proposers under the risk of regulatory action.

Mempool encryption can be realized using a range of practical and theoretical approaches. In the following, we review the most prominent ones:

- Threshold encryption. This approach utilizes a threshold public-key encryption (TPKE) scheme. In a TPKE scheme, a committee publishes a public key, and each committee member holds a distinct decryption key. An encrypted message can be decrypted if and only if more than a threshold of the committee members cooperate.

In a threshold encryption based mempool encryption scheme, users encrypt their transactions via the committee's public key. Hence, block proposers have to determine the order of the transactions without knowing their contents. The committee performs threshold decryption of included transactions, and subsequently, transactions will be executed. In practice, projects

 $^{^{5}}$ Alternatively users can directly send their transactions to trusted third-parties or a block builder

	Number of messages			Sound	Security accumption	
	Key Generation	Encryption	Decryption	Sound	Security assumption	
	(per round)	(per transaction)	(per τ transactions)			
Ferveo[7]		O(1)	$\mathcal{O}\left(n \times \tau\right)$	X	t out of n honest players	
ETHTID[42]	$O(n^2)$	O(1)	$\mathcal{O}\left(t \times \tau\right)$	X	t out of n honest players	
F3B (TDH2)[50]	$O(n^2)$	O(1)	$\mathcal{O}\left(t \times \tau\right)$	X	t out of n honest players	
F3B (PVSS)[50]	$\mathcal{O}\left(n ight)$	$\mathcal{O}\left(n ight)$	$\mathcal{O}\left(t \times \tau\right)$	X	t out of n honest players	
tlock[21]	$O(n^2)$	O(1)	$\mathcal{O}\left(t\right)$	X	t out of n honest players	
FairBlock[30]	$\mathcal{O}\left(n ight)$	O(1)	$\mathcal{O}\left(t\right)$	X	t out of n honest players.	
MDE	$\mathcal{O}\left(n ight)$	$\mathcal{O}\left(1 ight)$	$\rm NA^6$	1	1 out of n honest players,	
					trusted setup	

Table 1. Comparison of communication complexity between MDE and number of other protocols that use threshold encryption approaches. The "Sound" column refers to whether the scheme is fully censorship-resistant or not. In general, the committee might decide not to reveal the shares, or the honest quorum might not be formed to reconstruct the shares, which results in denying the execution of certain transactions. However, in the case of time-lock encryption, such as MDE, all the encrypted transactions will eventually get decrypted and executed, unless the entire network stops operating.

such as Shutter network [39], FairBlock [30], and several others [49,4,32,40,7] utilize threshold mempool encryption. However, this approach has the following shortcomings: (i) It relies on a significant committee's honest majority trust assumption. That is, if a majority of committee members collude, they can violate the mempool's privacy guarantee by decrypting transactions before inclusion. Moreover, they can refuse to decrypt included transactions and stall their execution indefinitely [25,17,37]. (ii) The communication cost of these schemes is high and grows with the number of committee members; thus, the committee has to be relatively small. Table 1 compares the communication complexity of different threshold encryption based methods proposed by previous work. This exacerbates the aforementioned problem regarding the honest majority assumption.

- **Trusted Execution Environment (TEE)**. TEE is a secure area within a device's main processor, which guarantees secure storage and processing of data, and integrity of execution for applications executed on it. Note that the host processor can not manipulate or inspect data and programs on the TEE. Additionally, TEEs are shipped with attestation keys provided by the manufacturer that are required to prove their provenance. Some projects have attempted to leverage TEEs for mempool encryption [46]. In a TEE-based mempool encryption scheme, block proposers all operate within a TEE, and users encrypt their transactions with a public key that is created and shared by TEEs. The challenges of this approach are (i) the security guarantees of a TEE are contingent on a significant trust assumption about the manufacturer; (ii) numerous side-channel attacks were discovered against major TEEs such as Intel SGX, leaving users question the long-term security [5].

⁶ The puzzle can be solved offline by everyone; therefore, no message is required.

- Witness encryption. This approach relies on a cryptographic primitive that is widely believed to be nonpractical and inefficient. Witness encryption, introduced by Garg *et al.* [22], allows for the encryption of data in such a way that the decryption key is not a traditional secret key, but rather a "witness" to a particular mathematical statement or problem. In this case, the witness for each encrypted transaction is an inclusion proof for that transaction in a block that has been attested to by a large enough number of node operators.
- **Time-lock encryption**. Time-lock puzzle (TLP) is a cryptographic primitive to encrypt messages into the future [35]. More precisely, the decryption procedure is inherently sequential and takes an inevitable number of computation levels, that can be utilized to impose a specific delay for which the message remains encrypted⁷ Numerous works have utilized TLP to design mempool encryption schemes. We categorize these works into the following categories.

(i) One TLP per transaction: In this approach, users have to put their transactions inside a separate TLP and then propagate it, such as the method proposed in [25]. At each round, the new block includes encrypted transactions and executes now-decrypted transactions from the previous blocks. Given that each transaction is a separate puzzle, the network participants have to solve many independent puzzles simultaneously, which renders this approach resource-intensive and uneconomical.

(ii) One TLP per round: In this approach, the TLP is designed in such a way that there is only one puzzle to solve per round and it is independent of the number of transactions. It can be done in two ways: 1) Similar to the previous approach, one can have each TLP hide a single transaction while enabling TLPs to be aggregated into one. Consequently, with solving only the final puzzle, all the individual puzzles will be solved. Following this approach, Thyagarajan et al.[44] proposed a technique called batch-solvable time-lock puzzles; however, it scales each TLP's length linearly by the number of transactions. This limitation makes their approach impractical to use in a blockchain setting of thousands of transactions per block. In a subsequent work proposed by Srinivasan et al. [41], they overcame this issue at the expense of relying on purely theoretical cryptographic constructions. 2) Instead of hiding transactions themselves, another approach is to cleverly hide the secret key of a publicly known public key inside a time-lock puzzle [11]. The puzzle is constructed in a way that no one knows the secret key in advance. As a result, every transaction that is encrypted via the public key is guaranteed to be decrypted only once the time-lock puzzle is solved and the secret key is found. The ideas in this category will be discussed in more detail in Section 3.

⁷ Note that utilizing time-lock encryption is only interesting for problems that require short-term delays. That is because with the advancement in hardware technologies such as CPUs and ASICs, performing basic math operations would become faster which results in solving the puzzles faster. In practice, we consider the fastest hardware technology present to choose the puzzle parameters and also increase the protocol's difficulty adaptively.

As it was pointed out, current mempool encryption schemes either fail in maintaining the communication or storage complexity, leverage highly theoretical approaches, or have significant trust issues. In this paper, by introducing a new time-lock encryption primitive, we present a mempool encryption scheme that operates under minimal trust assumptions. While our protocol utilizes a committee, unlike threshold encryption based solutions, it doesn't rely on an honest-majority assumption. Instead, it relies solely on the presence of at least one honest party. In addition, our protocol is highly scalable and bears minimal communication/storage overhead, only $\mathcal{O}(n)$ messages per round of the protocol for n size of committee. Furthermore, our protocol seamlessly integrates with the current Ethereum architecture through a straightforward workflow.

Our proposed scheme is initialized with a one-time setup phase that generates a safe-prime RSA modulus. Then it randomly selects a committee of parties for each round; which collectively generates the current round's public key along with a time-lock puzzle concealing their shares of the secret key⁸. At each round, users encrypt their transactions using the public key of one of the recent rounds. Subsequently, block proposers build blocks including encrypted transactions while simultaneously deciphering transactions from the previous round's time-lock puzzles.

The main contributions of this work can be summarized as follows.

- Formalization of MempoolEncryption. Assuming a synchronous network model, we formally define the notion of mempool privacy that captures the minimum desired properties that we expect from a mempool encryption scheme.
- Multiparty delay encryption. The notion of multiparty delay encryption (MDE) is introduced. Then, by leveraging cryptographic time-lock puzzles, an MDE is designed with its security rigorously established under standard cryptographic assumptions.
- Scalable MempoolEncryption gadget for Ethereum. Using MDE, we propose a MempoolEncryption scheme for Ethereum. Importantly, the safety of this method relies on the presence of only one honest attestation aggregator, for each slot in today's Ethereum design, making it a trust-minimized solution. Additionally, the communication and storage costs of our method are negligible and it is highly scalable in terms of handling transactions. Table 1 outlines the communication cost involved in each phase of our protocol. The extra space our approach uses per block header is only 230 KB for 112-bit security.

The rest of this paper is organized as follows: Section 2 formally defines mempool encryption. In Section 3, we will discuss the limitations of current timelock encryption methods and then give an overview of our method. Section 4 focuses on preliminaries and notations necessary for the rest of the paper. In

⁸ In the context of Ethereum, the committee members are selected from the set of attestation aggregators in the current epoch.

Section 5, we will explain how we construct an MDE using our modified timelock puzzle primitive based on the previous works. In Section 6, we will show the implementation details of adding MDE to Ethereum consensus. Later, Finally, Section 7 concludes this paper and suggests potential future directions.

1.1 Notation

The symbol \wedge is being used as the logical "and" operator. $x \leftarrow S$ is used to show that x is uniformly sampled from the set S. |S| for the set S indicates the size of S. $|\mathbb{G}|$ for the group \mathbb{G} denotes its order. For the group \mathbb{G} and $\alpha \in \mathbb{G}$, the notion $ord_{\mathbb{G}}(\alpha)$ denotes the order of α in \mathbb{G} , and, $\langle \alpha \rangle$ is the subgroup generated by α . The set \mathbb{Z}_N^* is $\{x \mid gcd(x, N) = 1 \land x < N\}$. The group $\mathbb{J}_N = \{x \mid (\frac{x}{N}) = +1\}$ is all the elements whose Jacobi symbols with N are +1. Note that $|\mathbb{J}_N| = 1/2|\mathbb{Z}_{N^*}|$. The operator || is used for concatenation. The notion $\mathsf{negl}(\lambda)$ denotes a negligible function where $\mathsf{negl}(\lambda) < 1/p(\lambda)$ for every polynomial p. Two groups \mathbb{G}_1 and \mathbb{G}_2 are denoted as isomorphic via $\mathbb{G}_1 \cong \mathbb{G}_2$.

2 Problem Definition

The concept of mempool encryption has been studied before [7,30,39]. However, to the best of our knowledge, there is no formal and rigorous definition for mempool encryption. In this section, we formally specify the notion of mempool encryption.

There are two sets of participants in the network, validators (*i.e.* miners) and clients (*i.e.* users). Time is organized into rounds within a Δ -synchronous network. This means that any messages between any two participants are guaranteed to be delivered within a maximum delay of Δ rounds. The parameter Δ represents the network's delay and is universally known to all parties involved. Each party following the protocol is called an honest player, and otherwise an adversary.

A state machine replication (SMR) protocol operates among the validators. This protocol takes transactions from the clients as input and generates a distributed ledger \mathcal{L} as output. This ledger is an ordered sequence of transaction groups, each referred to as a block. Henceforth, we call \mathcal{L} a *blockchain*.

Clients generate and broadcast transactions to the network. Furthermore, they request different validators for their versions of the blockchain. Upon receiving responses from the requested validators, clients aggregate and process them using a protocol \mathcal{P} , to create their local view of the blockchain. We denote this local view as \mathcal{L}_r^c , representing the blockchain in the view of client c at round r.

Blocks in \mathcal{L} are labeled as $\mathbf{B}_0, \mathbf{B}_1, \mathbf{B}_2, \cdots$. Every block comprises two components: the body and the header. The body of each block contains an ordered sequence of transactions. Additionally, the header includes a reference

⁹ For example, a client can do one of the following: (i) trust a single RPC provider, (ii) run a light client for the chain, or (iii) run a full node.

to the previous block within \mathcal{L} , and also incorporates some protocol-related metadata. We call a block is valid if it satisfies the protocol-related validity criterias *e.g.* signatures validations, par. We say \mathcal{L}_1 is a prefix of \mathcal{L}_2 , denoted by $\mathcal{L}_1 \leq \mathcal{L}_2$, if for all blocks $\mathbf{B} \in \mathcal{L}_1$, we have $\mathbf{B} \in \mathcal{L}_2$. Two ledgers, \mathcal{L}_1 and \mathcal{L}_2 , are considered conflicting if neither of them is a prefix of the other.

For each security parameter λ , and ℓ as a polynomial function of λ , we say that \mathcal{P} is ℓ -secure, if \mathcal{P} satisfies both of the following properties.

Definition 1. Safety: For any honest clients c_i, c_j and rounds r, r' the ledgers $\mathcal{L}_r^{c_i}$ and $\mathcal{L}_{r'}^{c_j}$ are not conflicting. Also, for any client c_i and rounds $r \leq r'$ the ledger $\mathcal{L}_r^{c_i}$ is a prefix of $\mathcal{L}_{r'}^{c_i}$.

Definition 2. ℓ -Liveness: Assume the transaction tx is created by an honest client and is received by an honest validator at round r. Then tx should be included in $\mathcal{L}_{r^i}^{c_i}$, for any honest client c_i , and any round $r' \geq r + \ell$.

Definition 3. MempoolEncryption: We call the protocol $\Pi_{ME} = (\text{Encrypt}_{\mathcal{L}}, \text{Decrypt}_{\mathcal{L}})$ is a MempoolEncryption protocol for the ℓ -secure and Δ -synchronous blockchain \mathcal{L} , if it provides a transaction encryption protocol such that¹⁰:

- Completeness: Π_{ME} . Encrypt_{\(\mathcal{L}\)} takes as input a transaction tx and outputs its encryption tx^{\(\mathcal{E}\)}. On the contrary, Π_{ME} . Decrypt_{\(\mathcal{L}\)} takes as input a block $\mathbf{B} \in \mathcal{L}$ whose transactions are $[tx_0^{\mathcal{E}}, tx_1^{\mathcal{E}}, \cdots]$, and outputs $[tx_0, tx_1, \cdots]$ such that for all j, we have Π_{ME} . Encrypt $(tx_j) = tx_j^{\mathcal{E}}$. In addition, for any encrypted block, the parallel runtime¹¹ of Π_{ME} . Decrypt_{\(\mathcal{L}\)} is bounded by $\rho(\ell)$, for some fixed polynomial ρ . Moreover, any encrypted transaction $tx^{\(\mathcal{E}\)}$ included in \mathcal{L} gets decrypted (and executed) before $\rho(\ell)$ delay.
- Soundness: For any transaction $tx^{\mathcal{E}}$ that was encrypted at round r, and propagated immediately, there is no parallel algorithm to decrypt it in less than $\ell + \Delta$ rounds.¹²

3 Technical Overview

The initial idea of time-locked puzzles was introduced by Rivest *et al.* [35]. Informally speaking, a time-lock puzzle hides a message such that it can only be revealed after performing a time-consuming computation that does not have any shortcut nor is parallelizable. A naive MempoolEncryption scheme design is to hide each transaction inside an independent time-lock puzzle with delay parameter *d*. However, in this approach, the computation needed to uncover all transactions, scales linearly with the number of transactions. Ideally, the objective is to reveal all encrypted transactions at the cost of solving one puzzle! To this end, we propose MDE, a scheme to hide a secret key inside a time-lock puzzle, corresponding to a public key. The transactions will be encrypted by the

 $^{^{10}}$ We omit ledger ${\cal L}$ whenever it is clear from the context.

¹¹ Note that we denominate time in unit of round.

 $^{^{12}}$ In particular, there is no decryption circuit with depth less than $d-\varDelta$ for $\mathsf{Encrypt}_{\mathcal{L}}.$

public key, and all of them can be decrypted once the puzzle hiding the secret key is solved. Our construction is inspired by [28] and utilizes homomorphic time-lock puzzles, to facilitate multi party generation of the secret key inside the puzzle, and the corresponding public key. More details of our construction are in Sections 3.2 and 5.

3.1 Related Work

In a parallel line of work, Doweck *et al.* [19] introduced the notion of *multiparty timed commitments.* Players use a multi-party computation (MPC) scheme to generate an ElGamal public key, for which the secret key is unknown to everyone. The secret key can be extracted from the public key by breaking the computational Diffie-Hellman (CDH) over a carefully chosen group. The protocol takes a delay parameter as input that specifies the *expected time* it takes to extract the secret key. Hence, everyone can encrypt their message by the public key and expect their message to be revealed with a delay. However, [19] is not suitable to instantiate a MempoolEncryption scheme, as it can not guarantee an exact delay time and also the initial MPC relies on multiple rounds of interaction. Additionally, this scheme is only secure against attackers with bounded parallelization power. More precisely, the speed of secret key extraction scales linearly with the parallelization power of the attacker.

Another way to instantiate a MempoolEncryption scheme is using delay encryption [16]. Burdges et al. introduced delay encryption [11]; in which, given a delay parameter T, the scheme uses a trusted setup to generate a master encryption key pk and an extraction key ek. Using pk and a session id, one can encrypt a message. Moreover, using ek and id any encrypted message corresponding to id can be decrypted, and this operation admits delay T. In [16] Chiang et al. propose a delay encryption-based MempoolEncryption scheme and study adversarial block delivery delays in this context, and propose a change to the consensus mechanism of proof-of-stake networks to circumvent them. Noteworthy, the underlying cryptographic primitive can be replaced trivially with MDE, which uses a significantly lighter cryptography construction. Moreover, it is not clear how [16] can be adopted by Ethereum, while our work provides a concrete design for seamless integration with Ethereum protocol. In addition, the storage requirements for delay encryption construction of [11], which has been used in [16], grows linearly with the delay parameter T, while the storage complexity of our construction for MDE is independent of the delay parameter T, that can be of independent interest.

An alternative way to design a MempoolEncryption is to use batch-solvable time-lock puzzles[44,41], in which independent puzzles can be aggregated together to generate a batched puzzle that hides all of the messages. Using a batch-solvable time-lock puzzle in the naive MempoolEncryption, the cost of revealing all of the transactions is the same as the cost of solving one puzzle. However, the existing constructions for batch solving either rely on in practical cryptographic primitives such as Indistinguishable Obfuscation (IO) [41,23], or

the size of puzzles (size of encrypted transactions) scales linearly with the number of maximum batchable puzzles (maximum number of transaction per block) [44]. The latter is particularly problematic for high-throughput blockchains.

3.2 Multiparty Delay Encryption: Informal Description

We introduce the notion of multiparty delay encryption (MDE), in which a group of *n* non-trusting participants can generate and publish a pair ($\overline{\mathsf{pk}}, \overline{\mathsf{ek}}$), where $\overline{\mathsf{pk}}$ is a public key with its secret key $\overline{\mathsf{sk}}$ hidden inside a time-lock puzzle which can be obtained from the extraction key $\overline{\mathsf{ek}}$. Any message *m* can be encrypted via $\overline{\mathsf{pk}}$, and is kept secret until the time-lock puzzle is solved and the value of $\overline{\mathsf{sk}}$ is extracted.

MDE has an initial **setup** phase to generate the public parameters of the system. Following this, each participant $i \in [n]$, individually **generates** MDE shares $(\mathsf{pk}_i, \mathsf{ek}_i)$, which are subsequently **aggregated** into the final pair $(\overline{\mathsf{pk}}, \overline{\mathsf{ek}})$. Each participant is also required to publish a **verification** proof of their share's integrity. Any message can be **encrypted** by $\overline{\mathsf{pk}}$. Anyone can **extract** the secret key $\overline{\mathsf{sk}}$ from the extraction key $\overline{\mathsf{ek}}$, which can be used to **decrypt** all the encrypted messages.

An MDE scheme should satisfy the following properties. The formal definitions will be provided in Section 4.

Definition 4. MDE *Correctness (Informal):* If all the shares (pk_i, ek_i) pass the verification, then for all the messages, the decryption and the encryption must work properly.

Definition 5. MDE *Adaptive Security (Informal):* With having at least one honest party in the committee which generates the shares, the result of encryption of any two messages must be indistinguishable any time earlier than the time is needed to extract the secret key. Additionally, the malicious parties have the ability to see honest parties' messages before taking their actions.

3.3 Construction

Our construction for the MDE is based on homomorphic time-lock puzzles (HTLPs). In [28], the HTLP is defined as the tuple $(u, v) \leftarrow (g^r \mod N, h^{rN}(1+N)^s \mod N^2)$ represents a time-lock puzzle hiding the secret s given the randomness r, g the generator of $\mathbb{J}_N, h = g^{2^T} \mod N$, RSA safe prime modulus N, and the delay parameter T. The puzzle can be solved by calculating $x = u^{2^T} \mod N$, and then $s = (v/x^N \mod N^2 - 1)/N$. Additionally, it is easy to verify that the puzzle pairs are linearly homomorphic. More precisely, assume that we have two puzzles (u_0, v_0) and (u_1, v_1) hiding the secrets s_0 and s_1 respectively, then the puzzle (u_0u_1, v_0v_1) hides the secret $s_0 + s_1$.

A natural approach to build an MDE is to use these HTLPs as MDE shares, that is $(\mathsf{pk}_i, \mathsf{ek}_i) \leftarrow (u_i, v_i)$. Note that each $u_i \leftarrow g^{r_i} \mod N$ is a valid ElGamal public key in \mathbb{J}_N^{13} . While the shares can be aggregated to obtain $\overline{\mathsf{pk}} = g^{\sum r_i} \mod N$ as desired, we can't extract $\overline{\mathsf{sk}} = \sum_i r_i$ from $\overline{\mathsf{ek}} = h^{\overline{\mathsf{sk}}N}(1+N)^{\sum s_i} \mod N^2$. More precisely, unlike $\sum s_i$, the puzzle structure does not provide any way to extract $\overline{\mathsf{sk}}$, other than solving a discrete log problem in \mathbb{J}_N . Therefore, we need to modify the construction of HTLP to meet all the necessary requirements of our MDE.

In our proposed construction for HTLP, each puzzle is defined as the tuple $(u, v, y, w) \leftarrow (g^{r+s} \mod N, h^{(r+s)N}(1+N)^s \mod N^2, g^k \mod N, h^{kN}(1+N)^r \mod N^2)$, where $k \leftarrow \mathbb{Z}_{N/2}$ is another randomness factor. In this construction, the portion $u = g^{r+s} \mod N$ is pk , the tuple (u, v, y, w) is ek , and r + s is sk . To extract sk , first the solver calculates $\bar{u} = u \times y = g^{r+s+k} \mod N$, $\bar{v} = v \times w = h^{(r+s+k)N}(1+N)^{r+s} \mod N^2$, and $x = \bar{u}^{2^T} \mod N$. One can verify that the value of sk is $((\bar{v}/x^N \mod N^2) - 1)/N$. Hence after, we call this protocol a modified linearly homomorphic time-lock puzzle (Π_{MTLP}) and provide its detailed explanation and security proofs in Appendix D.

To build MDE, we use the proposed construction of MLHTLP. More precisely, each party p_i publishes a share including public key $\mathsf{pk}_i = u_i$ and extraction key $\mathsf{ek}_i = (u_i, v_i, y_i, w_i)$, along with a zero-knowledge argument of knowledge¹⁴ of r_i , s_i and k_i . The aggregated public key and secret key is $\overline{\mathsf{pk}} = \Pi u_i \mod N$ and $\overline{\mathsf{sk}} = \sum r_i + s_i$, respectively. Similarly, the aggregated extraction key is $\overline{\mathsf{ek}}_i =$ $(\Pi u_i \mod N, \Pi v_i \mod N^2, \Pi y_i \mod N, \Pi w_i \mod N^2)$. Later in Theorem 2, we prove that $\overline{\mathsf{sk}}$ will remain hidden as long as we have at least one honest party.

4 Multiparty Delay Encryption: Formal Description

In this section, we provide a formal description of MDE.

Definition 6. Multiparty Delay Encryption. Let \mathcal{M} be the message space. Then, a multiparty delay encryption is a protocol that runs among an arbitrary number of parties which consists of the tuple (Setup, Gen, Verify, Aggregate, Encrypt, Decrypt, Extract) such that:

- Setup $(1^{\lambda}, T)$: A probabilistic algorithm that on receiving the security parameter 1^{λ} outputs the system's public parameters **pp** according to the delay T. Setup runs only once at the beginning and can be a potentially distributed algorithm.
- Gen(n, pp): A probabilistic algorithm that, on receiving the system's public parameters pp, and $n \in \mathbb{N}$ the maximum number of participants in generating the final public-key, outputs the tuple (ek, pk) such that ek is the extraction key corresponding to the encryption public-key pk.

¹³ When N is a safe-prime RSA modulus, the decisional Diffie-Hellman (DDH) problem is widely believed to be hard in \mathbb{J}_N [38,9].

¹⁴ This proof helps us to show correctness and adaptive security. The cryptographic primitive for the zero-knowledge proof is similar to the one used in [27].

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- Verify(n, (ek, pk), pp): A probabilistic protocol that checks the construction of ek and shows the prover poses the knowledge of sk corresponding to pk through a zero-knowledge protocol¹⁵. If it is according to the protocol, it returns true; otherwise, it returns false. It also needs n, the maximum number of participants, for some verification.
- Aggregate((ek₁, pk₁), (ek₂, pk₂)...(ek_k, pk_k), pp): A deterministic algorithm that receives system's public parameters pp, and many (ek_i, pk_i) tuples. It returns an aggregated (ek, pk), which will later be used for message encryption.
- Encrypt(m, pk): A probabilistic algorithm which on receiving the message $m \in \mathcal{M}$ and the public-key pk, outputs $c \in C$, the encryption of m, according to pk.
- $\mathsf{Decrypt}(c, \mathbf{sk})$: A deterministic algorithm that decrypts the ciphertext c via the decryption key \mathbf{sk} and returns a message $m \in \mathcal{M}$.
- Extract(ek, T, pp): A deterministic algorithm which receives the extraction key ek and system's public parameters pp along with delay T. Then, outputs the decryption key sk that corresponds to ek or \perp .

Definition 7. MDE *Correctness.* The MDE protocol $\Pi_{\text{MDE}} = (\text{Setup, Gen, Verify, Aggregate, Encrypt, Decrypt, Extract) is correct if given <math>\lambda$, for all polynomials T in λ , all messages $m \in \mathcal{M}$, all $n \in \mathbb{N}$ that $n = p_0(\lambda)$ for a fixed polynomial p_0 , all pp in the support set of $\Pi_{\text{MDE}}.\text{Setup}(n, 1^{\lambda}, T)$, and all (ek_i, pk_i) where $\Pi_{\text{MDE}}.\text{Verify}(n, (ek_i, pk_i), pp) = true$, given $(ek, pk) \leftarrow \Pi_{\text{MDE}}.\text{Aggregate}(ek_0, pk_0) \dots (ek_{n-1}, pk_{n-1})$, pp), and $\overline{sk} \leftarrow \Pi_{\text{MDE}}.\text{Extract}(ek, T pp)$, the running time of the algorithm $\Pi_{\text{MDE}}.\text{Extract}$ is bounded with $p_1(\lambda, T)$ for a fixed polynomial p_1 and we have:

$$\Pi_{\text{MDE}}.\text{Decrypt}(\Pi_{\text{MDE}}.\text{Encrypt}(m, \overline{pk}), \overline{sk}) = m.$$
(1)

Definition 8. MDE *Adaptive Security.* Let the MDE protocol $\Pi_{\text{MDE}} = (\text{Setup}, \text{Gen, Verify, Aggregate, Encrypt, Decrypt, Extract), where <math>\mathcal{E}$ is the extractor of the Verify algorithm which can extract the witness from the prover. Π_{MDE} is adaptively secure if for any probabilistic polynomial time adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2, \mathcal{A}_3)$, where the depth of \mathcal{A}_2 , \mathcal{A}_3 and \mathcal{E} are bounded by $T^{\epsilon}(\lambda)$ from above, where T is a polynomial, $0 < \epsilon < 1$, and all $n = p_0(\lambda)$ for a fixed polynomial p_0 such that:

 $^{^{15}}$ More precisely, there exist an extractor ${\cal E}$ of the Verify algorithm which can extract the witness from the prover

$$\Pr \begin{bmatrix} \left| \begin{array}{c} pp \leftarrow \Pi_{\text{MDE}}.\text{Setup}(n, 1^{\lambda}, T), \\ \tau_{1} \leftarrow \mathcal{A}_{1}(T, pp, 1^{\lambda}), \\ (ek_{n}, pk_{n}) \leftarrow \Pi_{\text{MDE}}.\text{Gen}(n, pp), \\ (ek_{n}, pk_{n}), pp) \\ = True \\ \wedge \\ \mathcal{A}_{3}(c, \tau_{2}) = b \\ \end{array} \right| \begin{array}{c} ((m_{0}, m_{1}), (ek_{1}, pk_{1}), \cdots \\ (ek_{n-1}, pk_{n-1}), \tau_{2}) \leftarrow \\ \mathcal{A}_{2}((ek_{n}, pk_{n}), \tau_{1}), \\ (\overline{ek}, \overline{pk}) \leftarrow \Pi_{\text{MDE}}.\text{Aggregate}(\\ (ek_{1}, pk_{1}), \cdots, (ek_{n}, pk_{n}), pp), \\ b \leftarrow \$ \{0, 1\}, \\ c \leftarrow \Pi_{\text{MDE}}.\text{Encrypt}(m_{b}, \overline{pk}) \end{bmatrix} \\ \leq \frac{1}{2} + \operatorname{negl}(\lambda). \end{bmatrix}$$

5 Proposed Solution

In this section, we present the details of MDE and its security and correctness proofs.

Algorithm 1 Assuming Π_{MTLP} is our modified linearly homomorphic time-ock puzzle protocol and Π_{ERP} is any non-interactive zero-knowledge (NIZK) exponent range proof protocol such that Π_{ERP} . Verify(b, x, a, N) returns true if there exists $e \in \mathbb{Z}_N$ such that $x = b^e \mod N$ and e < a. Our proposed solution is as follows:

- Setup $(1^{\lambda}, T)$: Runs $pp \leftarrow \Pi_{MTLP}$.Setup $(1^{\lambda}, T)$ and returns pp.
- Gen(n, pp): It works similar to the Π_{MTLP} .Gen with a difference in choosing the boundries of s and r. More precisely, it samples $s, r \leftarrow \mathbb{Z}_{N/2n}$ and $k \leftarrow \mathbb{Z}_{N/2}$. Then, outputs (ek, pk) such that ek = (u, v, y, w), pk = u for $u = g^{r+s} \mod N$, $y = g^k \mod N$, $v = h^{(r+s)N}(1+N)^s \mod N^2$, and $w = h^{kN}(1+N)^r \mod N^2$. (See Figure 1 for further details.)
- Verify (n, (ek, pk), pp): Let ek compiles into (u, v, y, w). First, it checks that u and $y \in \mathbb{J}_N$, and $v, w \in \mathbb{J}_{N^2}$. Then, checks the exponent range of uto be in $\mathbb{Z}_{N/n}$ via Π_{ERP} . Verify (g, u, N/n, N). Next, the prover samples $x \leftarrow \mathbb{S}$ $\mathbb{Z}_{(N/2+N/n)\times 2^{2\lambda}}$, $t \leftarrow \mathbb{S}\mathbb{Z}_{(N/n)\times 2^{2\lambda}}$ and sends $a = g^x \mod N$, $b = h^{xN}(1 + N)^t \mod N^2$ along with $\tau = g^t \mod N$ to the verifier. Then, on receiving $e \leftarrow \mathbb{S}\mathbb{Z}_{2^{\lambda}}$ from the verifier, returns (α, β) for $\alpha = (r + s + k)e + x$ and $\beta = (r+s)e+t$. Finally, to verify the puzzle (u, v), returns $g^{\alpha} = (uy)^e \times a \land$ $h^{\alpha N}(1+N)^{\beta} = (vw)^e b \land g^{\beta} = u^e \times \tau$. (See Figure 1 for further details.)
- Encrypt (m, pk, pp): Samples $r \leftarrow \mathbb{Z}_{N/2}$ and returns (c_1, c_2) with $c_1 = g^r$ and $c_2 = m \times pk^r$.

- Decrypt $((c_1, c_2), sk, pp)$: Returns c_2/c_1^{sk} .
- Aggregate $((ek_1, pk_1) \dots (ek_n, pk_n), pp)$: Runs $\overline{ek} = \prod_{MTLP}$. Aggregate $(ek_1 \dots ek_n, pp)$, and returns $(\overline{ek}, \overline{pk})$ for $\overline{pk} = \prod pk_i$.
- Solve(\overline{ek} , pp): Compiles \overline{ek} into the tuple (u, v, y, w) and returns Π_{MTLP} .Solve((uy, vw, \bot, \bot) , pp).

Note that with the Verify $\,$ procedure, a party proves the knowledge of sk for a given ek in zero-knowledge. Its corresponding relation is:

$$\mathcal{R} = \{ (N, g, h, u, v, y, w) : \exists r, s, k \in \mathbb{N} \mid r + s \in \mathbb{Z}_{N/2n}$$

$$\wedge u = g^{r+s} \wedge y = g^k \wedge vw = h^{N(r+s+k)}(1+N)^{r+s} \mod N^2 \}$$

Consider the following theorem.

Theorem 1. Algorithm 1's Verify procedure is a public-coin honest-verifier zero-knowledge proof corresponding to the relation \mathcal{R} .

Proof. Proof details are in Appendix F.

Remark 1. Note that the Verify procedure can be easily converted to *malicious*-verifier zero-knowledge proof via the Fiat-Shamir heuristic.

In the following theorem we show that our proposed algorithm satisfies correctness and adaptive security.

Theorem 2. Given that Π_{MTLP} is a secure time-lock puzzle, Algorithm 1 is a correct and adaptively secure multiparty delay encryption.

Proof. Proof details are in Appendix G.

pp	=(N,g,T,h)		
1.	Prover		Verifier
_			
1 2.	Gen(n, pp):		
	$r \leftarrow \$ \mathbb{Z}_{N/2n}$		
5.	$k \leftarrow \$ \mathbb{Z}_{N/2}$		
6.	$u \leftarrow q^{r+s} \mod N$		
7.	$v \leftarrow h^{(r+s)N}(1+N)^s \mod N^2$		
8.	$y \leftarrow q^k \mod N$		
9.	$w \leftarrow h^{kN}(1+N)^r \mod N^2$		
10		(u, v, y, w)	
110.	-	· · · · · · · · · · · · · · · · · · ·	
11.	Verify(n, (ek, pk), pp):		
12.	$(u,v,y,w) \leftarrow ek$		
13.			Verify that:
14.			$u \in \mathbb{J}_N$
15.			$v \in \mathbb{J}_{N^2}$
16.			$y \in \mathbb{J}_N$
17.			$w\in \mathbb{J}_{N^2}$
18.	$x \leftarrow \mathbb{S} \mathbb{Z}_{(N/2+N/n)*2^{2\lambda}},$		
19.	$t \leftarrow \mathbb{Z}_{N/n*2^{2\lambda}}$		
20.	$a \leftarrow g^x \mod N, \ b \leftarrow h^{x,y} (1+N)^y \mod N^2$		
21.	$\tau \leftarrow g \mod N$		
22.		$\xrightarrow{(a, b, \tau)}$	
23.			$e \leftarrow \mathbb{Z}_{2\lambda}$
1 - 1 1		0	2
24.	•	¢	
25.	$\alpha \leftarrow (r+s+k)e + x$		
26.	$\beta \leftarrow (r+s)e + t$		
27.		$\xrightarrow{(\alpha,\beta)}$	
28.			Verify that:
29.			$g^{lpha} = (uy)^e * a$
30.			$\wedge \ h^{\alpha N} (1+N)^{\beta} = (vw)^e b$
31.			$\wedge \ q^{eta} = u^e * au$
32.			$\wedge \ a, \tau \in \mathbb{J}_N \ \wedge \ b \in \mathbb{J}_{N^2}$
33.			$\wedge \ \alpha \in \mathbb{Z}_{(N/2+N/n)*2^{\lambda} + (N/2+N/n)*2^{2\lambda}}$
34.			$\wedge \ \beta \in \mathbb{Z}_{N/n*2^{\lambda}+N/n*2^{2\lambda}}$

Fig. 1. In illustration of the Gen and Verify algorithms in $\mathsf{MDE}.$

6 Mempool Encryption Scheme

In this section, we explain how to utilize a MDE to design a network that satisfies MempoolEncryption. We first give some background about Ethereum and then describe the changes that need to be made. Then, we will prove that our design is indeed an MempoolEncryption. Finally, we discuss encryption efficiency and spam protection.

6.1 Ethereum Background

In the Ethereum network, after *The Merge*, time is partitioned into predetermined units called slots, where a single validator is randomly chosen in each slot to propose a block. At each slot attestation committees¹⁶ are formed by randomly grouping validators together, and they collaborate to vote and provide attestations on blocks. Each validator of an attestation committee individually provides votes for consensus mechanisms [12]. Attestations are signed with BLS signatures, hence, the ones that share an identical vote can be instantly aggregated into a single attestation by BLS signature aggregation. In each committee, a subset of validators are selected at random to perform the task of aggregation, and they are denoted as attestation aggregators.

λ	512	1024	2048	4096
Public parameters	384 + T	768 + T	1,536 + T	3,072 + T
Verification proof	1,024	2,48	4,096	8,192
Share	768	1,536	3,072	6,144
Verification proof + Share	1,792	3,584	7,168	14,336

Table 2. Space complexities in bytes for different values of λ .

6.2 Protocol

Assume the Ethereum network is Δ -synchronous and l-secure. Let $\Pi_{\text{MDE}} = (\text{Setup, Gen, Verify, Aggregate, Solve})$ be an MDE protocol such that Π_{MDE} .Setup (1^{λ}) was already done, and everyone knows the public parameters pp = (N, g, T, h). Note that the current total supply of ETH is roughly 120M, and every validator must stake at least 32 ETH; hence, the maximum number of validators at the time of this writing cannot exceed $120M/32 \leq 4000000$. At each round we need to aggregate puzzles from all attestation aggregators. Given the aforementioned upper bound on the number of validators, setting the maximum number of puzzles we can aggregate to n = 10000000 is more than enough. Additionally, let $d = \ell + 2\Delta$ and assume the time needed to run Π_{MDE} .Solve for the delay T is equal

¹⁶ They are often called Beacon committees link

to proposing d slots. Note that even though the cryptographic assumption on which Π_{MDE} is relied is not parallelizable, when choosing the value of T we need to consider the fastest hardware technology present and increase it adaptively over time. That is because with the advancement in hardware technologies such as CPUs and ASICs, performing basic math operations would become faster. We use the notation \mathbf{B}^{-i} to represent the i^{th} parent of the block \mathbf{B} in the chain. Below are the actors involved in the Π_{ME} protocol and their corresponding responsibilities during each Ethereum protocol slot:

- Attestations Aggregator: In addition to their other responsibilities, aggregators collaboratively create the $(\overline{pk}, \overline{ek})$ pair for each slot. More precisely, each aggregator generates a new share via Π_{MDE} .Gen and makes a validity proof for it using Π_{MDE} .Verify. Then, along with the aggregated attestation, it signs its MDE share and broadcasts it.
- Block proposer: To propose a new block **B**, it performs the following:
 - It verifies all the MDE shares received from attestation aggregators via Π_{MDE} . Verify. If any of the verifications fail, it drops that attestation; otherwise, it includes the attestation in **B**'s header. For convenience, we call the aggregated public key of shares in **B** via Π_{MDE} . Aggregate, the public key proposed in block **B**.
 - Let \overline{sk} be the result of Π_{MDE} . Solve on \mathbf{B}^{-d} 's aggregated MDE share. The block proposer must include \overline{sk} in \mathbf{B} 's header as well.
 - Decrypts all the encrypted transactions of the block \mathbf{B}^{-d} via Π_{MDE} . Decrypt, and executes them.¹⁷
 - Fills **B**'s transactions list with the pending transactions in the mempool that are encrypted via one of the $\mathbf{B}^{-1}, \mathbf{B}^{-2}, \ldots, \mathbf{B}^{-2\Delta}$ proposed public keys.
- User: Let **B'** be the latest block in the user's view and $\overline{\mathsf{pk}}$ be its proposed public key. The user encrypts tx via $\Pi_{\mathsf{MDE}}.\mathsf{Encrypt}(\mathsf{tx}, \overline{\mathsf{pk}})$ and broadcasts it.

Due to network delay, users might not be able to see the latest block. Therefore, we allow them to encrypt their transactions via the public key included in one of the most recent d-l blocks. The additional checks described below should be added to the validation procedure of the block **B**:

- Verify signatures and validity proofs of all MDE shares included in **B**. All shares should be properly signed by their corresponding attestation aggregator's public key and pass the Π_{MDE} . Verify check, otherwise the block is deemed invalid.
- Check the validity of the solution \overline{sk} . Given $(\overline{ek}, \overline{pk})$ the aggregated MDE share of \mathbf{B}^{-d} , if the solution is wrong, meaning that \overline{pk} and \overline{sk} does not match, the block **B** is invalid.

¹⁷ The corresponding secret keys of the encrypted transactions in block \mathbf{B}^{-d} must have been revealed in the current or preceding blocks.

6.3 Security Proof

In Theorem 3 we prove that the protocol described in the previous subsection is indeed a MempoolEncryption protocol for the Ethereum network.

Theorem 3. Π_{ME} is a MempoolEncryption protocol for the Ethereum network if there is at least one honest aggregated attestation included in each slot and given standard cryptographic assumptions in Theorem 2.

Proof. The correctness of Π_{MDE} , proved in Theorem 2, implies correctness of Π_{ME} where $\rho = p_1$.

Now suppose an honest user creates an encrypted transaction $\mathsf{tx}^{\mathcal{E}}$ at round r, with proposed public key of the last block in its view and propagates it immediately. Furthermore, existing one honest attestation aggregation in each slot guarantees the adaptive security of Π_{MDE} . Given that network is Δ synchronous, no parallel algorithm can decrypt $\mathsf{tx}^{\mathcal{E}}$ in less than $\ell + \Delta$ rounds; thus, implying the soundness of Π_{ME} .

λ	Gen	Solve	Aggregate	Encrypt	Decrypt	Verify	Solve/	Gen
512	$43.157 \ ms$	$1.853 \ s$	$13.822 \ \mu s$	$1.691 \ ms$	652.461 μs	$42.158 \ ms$	42.93	
1024	$187.265 \ ms$	$3.575 \ s$	29.976 μs	$8.654 \ ms$	$4.688 \ ms$	$180.471 \ ms$	19.09	
2048	$908.347 \ ms$	8.395 s	$135.559 \ \mu s$	$27.370 \ ms$	$28.586 \ ms$	$919.904 \ ms$	9.24	
4096	$4,613.85\ ms$	$24.398 \ s$	349.99 μs	$398.824 \ ms$	$206.372\ ms$	$4,626.1 \ ms$	5.28	

Table 3. Time complexity of all the operations for different values of λ and T = 0x093226. Experiments were run on a Macbook Pro 2.3 GHz Quad-Core Intel Core i5 CPU.

6.4 Transaction Encryption

Notice that the encrypted transactions still have to pay the fee; otherwise, the system will be susceptible to Denial-of-Service attacks. To avoid this issue, we split the fee into two parts, an inclusion fee and an execution fee. The encrypted transaction pays the inclusion fee by specifying a gas price and having a signature in the clear. The gas cost of inclusion is a function of the size of the encrypted transaction. Note that the encrypted transaction will be considered valid only if its sender can pay for its inclusion. Moreover, the encrypted transaction carries a normal Ethereum transaction, that can be valid or not and it pays for its execution. We defer further investigation of encrypting other fields such as value, sender, nonce, and fee to future research endeavors.

It is essential to highlight that, given the utilization of the ElGamal encryption scheme, representing every encrypted transaction requires two points in the group \mathbb{J}_N which is $\lambda/2$ bytes. For transactions with a data field surpassing $\lambda/4$ bytes, additional storage is required. Nevertheless, through the integration of symmetric key cryptography, optimization techniques can also be employed.

6.5 Spam Protection and Meta-Data Privacy

Permissionless blockchains fundamentally need transaction fee to protect themselves from spam and denial-of-service attacks. Moreover, it is vital for blockchain nodes to be able to identify pending invalid transactions and not propagate them in the network, which includes transactions that are not able to pay the fee or simply have an incorrect signature or nonce. In other words, nodes need to be able to verify the validity of pending transactions or else an attacker can flood the network with invalid transactions with virtually no cost.

A mempool encryption scheme can provide privacy at different levels, depending on which parts of the transaction it hides. For instance, one choice is to only encrypt fields to, value, and input-data leaving other fields such as signature¹⁸, from, nonce, and gas-limit exposed. This way, it would be possible to determine whether the transaction has the minimum balance to cover the execution fee. It is easy to see that such a mempool encryption scheme, leaks a lot of meta-data about each transaction.

Another approach is to encrypt the whole transaction but ask users to submit a ZK-SNARK proof of validity for the plain-text transaction. While this approach provides complete privacy, it involves designing complex circuits, prune to bugs, and requires client-side proof generation that can be computationally expensive. Moreover, we have to make sure that each account only makes one transaction per round¹⁹, otherwise a malicious user can flood the network with many transaction that are individually valid but only one of them can be included (e.g. they share the same nonce or there are enough funds in the signer account to cover fees only for one of the transactions).

We propose an alternative solution, to provide complete privacy. Let us introduce a new type of transaction called *transaction-carrying transaction* (TCT). A TCT transaction **outer-tx** carries an encrypted transaction $tx^{\mathcal{E}}$ inside, which is going to be decrypted and executed with a delay. The intent is for the **outer-tx** to pay for the inclusion and decryption costs²⁰. Note that the gas price of this type of transaction has to be adjusted relative to the resources consumed by such transactions. The fees paid by **outer-tx** provides protection against invalid transactions, because regardless of the validity of the $tx^{\mathcal{E}}$, an attacker has to pay for costs incurred by the network.

7 Conclusion and Future Work

We reviewed mempool encryption and defined a new notion called MempoolEncryption. Our main contribution starts with the introduction of the mulitparty delay encryption (MDE). Then, we proposed a construction for MDE based on the idea

¹⁸ Note that for the purpose of the signature, the hash of transaction is calculated with the encrypted fields rather than plain-text.

¹⁹ This can be done by assigning nullifier to each account that gets used and renewed by each transaction.

²⁰ This cost can be thought of as the cost of data availability and effort necessary for decryption.

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of time-lock puzzles. Next, we adopted our algorithm to minimally change the current specification of the Ethereum network to achieve censorship and MEV resistance. We showed that if there is at least one honest attestation aggregator per slot, and the basic consensus assumptions are held, then our protocol is a MempoolEncryption for the Ethereum. We mention some of the potential future works to add to our contributions in the following:

- As it is pointed out in Table 2, even though a share already uses small space, enabling MDE still might put considerable storage overhead on the ledger when choosing larger λ . For example, choosing $\lambda = 1024$ which gives us 112 bit security will increase the block header's size by roughly 230 KB²¹. A potential solution for this issue would be to only store a SNARK proof along with the aggregation result of all the 64 verifiable shares. Additionally, our current design suggests using ECDSA signature schemes to prove the authenticity of the verifiable shares. Therefore, the block proposer to prove the signatures are valid can show that the aggregated share is the multiplication of different values that are signed by a set of known ECDSA public keys.
- Table 3 shows the time needed for different operations of our MDE. We can apply many optimizations to accelerate the time complexity of the Gen algorithm operations [26,31], which we leave for future work. Note that our underlying math operations involve raising a fixed generator g and another fixed number h to powers of two ²².
- The proposed Verify does not allow us to verify the aggregated share. Recent advancements in composable zero-knowledge proofs [2,8] might enable us to build composable and recursive proofs that can replace the Verify functionality.
- As was mentioned, BLS signatures are aggregatable when the messages to be signed are identical; however, when combining different shares we can not leverage this feature. Adopting BLS signature to our scheme to be used instead of ECDSA signature would be highly of interest.
- Efficiently designing a trustless distributed RSA modulus generation has its long literature [14,15,10]. However, RSA safe prime modulus generation [3] has not been fully studied yet which can be another future contribution.

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²¹ The average of Ethereum block size is almost 170,000 bytes [48] and to store 64 aggregated attestations we need $3,584 \times 64 = 229,376$ bytes.

 $^{^{22}}$ In practice, we can almost always choose four as the generator g and simplify the arithmetic operations even more.

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A Lemmas

Lemma 1. For every $x \in \mathbb{N}$ and $N \in \mathbb{N}$, $x^N \mod N^2 = (x \mod N)^N \mod N^2$.

Proof. Assume x = kN + r for $k \in \mathbb{N}, 0 \le r < N$. Then,

$$x^{N} \mod N^{2} = (kN+r)^{N} \mod N^{2} = r^{N} + r^{N-1} \times kN \times N + \dots \ (kN)^{N} \mod N^{2}$$
$$= r^{N} \mod N^{2} = (x \mod N)^{N} \mod N^{2}$$

Lemma 2. Given a cyclic group \mathbb{G}_c , its generator g, and an arbitrary element $x \in \mathbb{G}_c$, if $x^{\alpha} = 1$, then either $gcd(\alpha, |G_c|) \neq 1$ or x is the identity element.

Proof. If x is the identity element, then clearly $x^{\alpha} = 1$ for any α . Therefore, assume otherwise. Then, $ord_{\mathbb{G}_c}(x)$ should divide α . Additionally, $ord_{\mathbb{G}_c}(x)$ must divide $|\mathbb{G}_c|$ according to the Lagrange theorem. Therefore, $gcd(\alpha, |\mathbb{G}_c|) \geq$ $ord_{\mathbb{G}_c}(x) > 1$

Lemma 3. Given a cyclic group \mathbb{G}_c , its generator g, and arbitrary elements $x, y \in \mathbb{G}_c$ such that $x^{\alpha} = y^{\beta}$, if $gcd(|\mathbb{G}_c|, d) = 1$ and d divides both α and β , then $x^{\alpha/d} = y^{\beta/d}$.

Proof. We have $x^{\alpha}y^{-\beta} = (x^{\alpha/d}y^{-\beta/d})^d = 1$. Via the result of Lemma 2 and considering the fact that d and $|\mathbb{G}_c|$ are coprime, we can conclude that $x^{\alpha/d}y^{-\beta/d} = 1$ and finally $x^{\alpha/d} = y^{\beta/d}$

Lemma 4. Assume g is a generator of the cyclic group \mathbb{G}_c . For an element $y \in \mathbb{G}_c$ where $g^{\beta} = y^{\alpha}$ such that $\alpha | \beta$, then the discrete logarithm of y in \mathbb{G}_c will be β / α if $gcd(\alpha, |\mathbb{G}_c|) = 1$.

Proof. Since $\alpha|\beta$, then there exists some k such that $g^{k\alpha} = y^{\alpha}$. Therefore, $g^{k\alpha}y^{-\alpha} = 1$ and $(g^ky^{-1})^{\alpha} = 1$. Finally, since $gcd(\alpha, |\mathbb{G}_c|) = 1$, via the result of Lemma 1 we can conclude that $g^ky^{-1} = 1$. Therefore, $y = g^{\beta/\alpha}$

Lemma 5. Assume N is an RSA modulus. With finding a non-trivial square root of identity in \mathbb{Z}_N^* an attacker can defactor N and break the RSA assumption.

Proof. Assume $x \in \mathbb{Z}_{N^*}$ is the square root of identity which means that $x^2 = 1 \mod N$. Therefore, $(x-1)(x+1) = 0 \mod N$. Additionally, we know that $x \neq \pm 1$. Consequently, factors of N can be computed via gcd(x+1,N) and gcd(x-1,N).

Lemma 6. Given an RSA modulus N in which the RSA strong assumption is held, and $y \in Z_{N^*}$, no PPT algorithm can find $x \in Z_{N^*}$ and e' such that $x^e = y^{e'}$ and gcd(e, e') = 1 for a given e.

Proof. Proof by contradiction: Assume an adversary could find x and e' such that $x^e = y^{e'}$ where gcd(e, e') = 1. Therefore, there are some a and b such that ea + e'b = 1. Consequently, $x^{be} = y^{be'} = y^{1-ea} \implies (x^by^a)^e = y$. Therefore, the attacker can find the e-th root of y, which is x^by^a , and break the RSA strong assumption in N.

Lemma 7. Given an RSA safe prime modulus N = p'q' such that p' = 2p + 1and q' = 2q + 1 for p, q sufficiently large prime numbers, assume e and α are in \mathbb{N} such that e < p, q, $e < \alpha$, and $g^{\alpha} = u^{e}$ for an arbitrary $u \in \mathbb{J}_{N}$ and g a generator of \mathbb{J}_{N} . Then, either e must divide α or the strong RSA assumption in \mathbb{J}_{N} will be broken.

Proof. Assume $d \leftarrow gcd(e, \alpha)$ and $d' \leftarrow gcd(d, |\mathbb{J}_N|)$. We know that d' must be less than e; accordingly, it only can get the values 2 or 1. Below, each case is analyzed separately:

- d' = 1: Via Lemma 3 we can assume that $d = 1^{23}$. Then, given $y \leftarrow g$ and $e \leftarrow e, x \leftarrow u$ and $e' \leftarrow \alpha$ are found such that $x^{e'} = y^e$ where gcd(e, e') = 1 which contradicts the strong RSA assumption according to Lemma 6
- d' = 2: Assume $d \leftarrow 2^k \bar{d}$ and $g^{d\omega} = u^{d\gamma}$ such that $gcd(\bar{d}, |\mathbb{J}_N|) = 1$ and $gcd(\omega, \gamma) = 1$; therefore, via Lemma 3 we can assume that $\bar{d} = 1$. Consequently, $g^{2^k\omega} = u^{2^k\gamma}$ and therefore $(g^{\omega}u^{-\gamma})^{2^k} = 1$. Because g is the generator, there is some ρ such that $g^{\rho} = g^{\omega}u^{-\gamma}$. Since $ord_{\mathbb{J}_N}(g) = |\mathbb{J}_N| = 2pq$, there must be some k' that $2^k\rho = k'2pq$. Thus, $2\rho = k'/2^{k-1}2pq = k''2pq$, and finally $g^{2\rho} = (g^{\omega}u^{-\gamma})^2 = 1$. Therefore, $(g^{\omega} + u^{\gamma})(g^{\omega} u^{\gamma}) = 0$. Clearly, if non of the $g^{\omega} + u^{\gamma}$ and $g^{\omega} u^{\gamma}$ are zero, we could find two non-trivial factors of N via $gcd(N, g^{\omega} \pm u^{\gamma})$. Otherwise:
 - g^ω = u^γ: Considering y ← g, e ← γ, e' ← ω, and x ← u using Lemma 6 we can break the RSA strong assumption in J_N.
 - $g^{\omega} = -u^{\gamma}$: Since $gcd(\omega, \gamma) = 1$, at least one of ω or γ must be odd. Without loss of generality, assume γ is odd. Then, $g^{\omega} = -u^{\gamma} = (-u)^{\gamma}$. Again, via Lemma 6, assuming $y \leftarrow g$, $e \leftarrow \gamma$, $e' \leftarrow \omega$, and $x \leftarrow -u$ we could break the RSA strong assumption. For the case that ω is odd, we can use the equation $-g^{\omega} = u^{\gamma}$ and reach the same contradiction.

Lemma 8. There is an isomorphism $\mathbb{Z}_N^* \times \mathbb{Z}_N \cong \mathbb{Z}_{N^2}^*$ [33].

Lemma 9. For the group $\mathbb{F} \leftarrow \{(1+N)^x \mod N^2 \mid x \in \mathbb{Z}_N\}$ and \mathbb{Z}_N there is an isomorphism $\mathbb{F} \cong \mathbb{Z}_N$.

Proof. First

 $(1+N)^x \mod N^2 = 1 + Nx + \dots + N^x \mod N^2 = 1 + Nx,$

Then, we define the isomorphism $\psi : \mathbb{F} \to \mathbb{Z}_N$ such that:

$$\psi(1+N)^x = x.$$

Clearly, ψ is bijective. Additionally:

$$\psi((1+N)^{x+y}) = x + y = \psi((1+N)^x) + \psi((1+N)^y),$$

which shows that ψ is an isomorphism between \mathbb{F} and \mathbb{Z}_N

²³ Via taking e as $e \times d'/d$ and α as $\alpha \times d'/d$

Lemma 10. For every odd $N \in \mathbb{N}$, $\left(\frac{1+N}{N^2}\right) = +1$.

Proof.

$$\left(\frac{1+N}{N^2}\right) = \left(\frac{1+N}{N}\right) \times \left(\frac{1+N}{N}\right) = \left(\frac{1+N}{N}\right)^2 = +1.$$

B Basic Definitions

Definition 9. Statistical Distance We show the statistical distance between two random variables X and Y with $\Delta(X, Y)$ which is coming from the following equation:

$$\Delta(X,Y) = \sum_{a \in D} |\Pr[X = a] - \Pr[Y = a]|,$$

where X and Y are both in the domain D.

Definition 10. Statistically Indistinguishable Two random variables X and Y in domain D are said to be statistically indistinguishable by parameter λ if:

$$\Delta(X, Y) = \mathsf{negl}(\lambda).$$

Definition 11. Computationally Indistinguishable Two random variables X and Y in domain D are said to be computationally indistinguishable by the parameter λ if for every PPT algorithm D:

$$\Pr\left[\left. \mathcal{D}(\alpha) = b \right| \begin{array}{c} b \leftarrow \{0, 1\}, \\ if \ b = 0 : \alpha \xleftarrow{\$} X \\ else : \alpha \xleftarrow{\$} Y \end{array} \right] \leq \frac{1}{2} + \mathsf{negl}(\lambda).$$

We show computational indistinguishability via $X \approx_c Y$

Definition 12. Interactive Proof of Argument $\Pi = (P, V)$ is an interactive proof of argument for the language \mathcal{L} for a PPT algorithm V in the size of elements in \mathcal{L} if:

- 1. Completness: If $x \in \mathcal{L}$, $\Pr[(P, V)(x) = accept] = 1$.
- 2. Soundness: If $x \notin \mathcal{L}$ for every prover P^* , $\Pr[(P^*, V) = accept] \leq negl(|x|)$.

Definition 13. Zero-knowledge An interactive protocol $\Pi = (P, V)$ for the language \mathcal{L} given view(P, V)(x) as the transcript of executing Π between P and V is said to be zero-knowledge if there exists a PPT algorithm \mathcal{S} (Simulator) such that for the two probability ensembles view(P, V)(x) and $\mathcal{S}(x)$ we have $view(P, V)(x) \approx_c \mathcal{S}(x)$.

Definition 14. Zero-knowledge Interactive Protocol The protocol $\Pi(P, V)$ is zero-knowledge interactive if it is complete, sound, and zero-knowledge.

Definition 15. Honest Verifier Interactive Zero-knowledge An Interactive zero-knowledge protocol $\Pi = (P, V)$ is considered honest verifier if in the transcript between P and V, view(P, V)(x) the randomness being used by V is also included.

Definition 16. Proof Of Knowledge Given $\mathcal{L}_R = \{x : \exists w \text{ s.t. } R(x, w) = accept\}$ for a polynomial-time relation R and language \mathcal{L} , the protocol $\Pi = (P, V)$ is a proof of knowledge if there exists a PPT extractor algorithm \mathcal{E} such that $\forall_{x \in \mathcal{L}} R(x, \mathcal{E}^P(x)) = accept$.

Definition 17. Safe RSA Modulus The number N = pq where p and q are prime numbers is a safe RSA number if p = 2p' + 1 and q = 2q' + 1 that both p' and q' are also large enough prime numbers.

C Cryptographic Assumptions

Assumption 1 Strong RSA[6] Given an RSA modulus N, and $e \in Z_{\phi(N)^*}$ when e > 2, no PPT algorithm can efficiently find the value of m from $c = m^e$ mod N.

Assumption 2 Strong Sequential Squaring[28] Given N a safe RSA modulus, g a generator of \mathbb{J}_N , for any PPT $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ which the depth of \mathcal{A}_2 is bounded by $T^{\epsilon}(|N|)$ from above where T is a polynomial and $0 < \epsilon < 1$:

$$\Pr\left[\begin{array}{c} \tau \leftarrow \mathcal{A}_1(N,T,g) \\ x \leftarrow \$ \langle g \rangle, \ b \leftarrow \$ \{0,1\}, \\ if \ b = 0: \\ y \leftarrow x^{2^T} \mod N \\ else: y \leftarrow \$ \langle g \rangle \end{array} \right]$$
$$\leq \frac{1}{2} + \mathsf{negl}(|N|).$$

Assumption 3 Decisional Composite Residuosity (DCR)[33] Given a RSA modulus N and any PPT adversary A, the decisional composite residuosity assumption over $\mathbb{Z}_{N^2}^*$ states that:

$$\Pr\left[\begin{array}{c} x \leftarrow \$ \mathbb{Z}_{N^*}, \\ b \leftarrow \$ \{0, 1\}, \\ if \ b = 0: \\ y \leftarrow x^N \mod N^2 \\ else: y \leftarrow \$ \mathbb{Z}_{N^2}^* \end{array} \right] \\ \leq \frac{1}{2} + \mathsf{negl}(|N|).$$

D Modified Linearly Homomorphic Time-lock Puzzle

We have borrowed the syntax of the homomorphic time-lock puzzle from [27,28]:

Definition 18. Homomorphic Time-Lock Puzzle (HTLP) Let \mathbb{C}_{λ} for the security parameter $\lambda \in \mathbb{N}$ be a class of circuits and \mathbb{S} a finite domain. Then, a homomorphic time-lock puzzle is a tuple (Setup, Gen, Solve, Aggregate) such that:

- Setup $(1^{\lambda}, T)$: A probabilistic algorithm that outputs the system's public parameter, pp, in a trusted/or distributed fashion according to the chosen delay value T.
- Gen(s, pp): A probabilistic algorithm that, on receiving the system's public parameters pp and any arbitrary $s \in S$, outputs a puzzle z.
- Aggregate $(C, z_0, z_1, ..., z_n, pp)$: A probabilistic algorithm that given a circuit $C \in \mathbb{C}_k$, a set of puzzles $z_0, ..., z_n$, and system's public parameters pp, outputs an aggregated puzzle \bar{z} according to C.
- Solve(z, pp): A deterministic algorithm which receives a puzzle z and system's public parameters pp and outputs a solution $s \in S$ or \bot .

Definition 19. HTLP Correctness The HTLP protocol Π = (Setup, Gen, Solve, Aggregate) is correct if given \mathbb{C}_{λ} a class of circuits, for all polynomials T in λ , all circuits $c \in \mathbb{C}_{\lambda}$, all inputs $(s_0, ..., s_n) \in \mathbb{S}^n$, all pp in the support of Setup $(1^{\lambda}, T)$, and all z_i in the support of Π .Gen (s_i, pp) , assuming $\overline{z} \leftarrow$ Π .Aggregate $(c, z_0, ..., z_n, pp)$, the running time of the algorithm Π .Solve $(1^{\lambda}, \overline{z})$ is bounded with $p_0(\lambda, T)$ for a fixed polynomial p_0 and for $\overline{s} \leftarrow \Pi$.Solve (\overline{z}, pp) :

$$\bar{s} = c(s_0, ..., s_n).$$
 (2)

Definition 20. HTLP Security The HTLP protocol $\Pi = (\text{Setup, Gen, Solve, Aggregate})$ is secure if for any PPT adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ which the depth of \mathcal{A}_2 is bounded by $T^{\epsilon}(\lambda)$ from above where T is a polynomial and $0 < \epsilon < 1$ such that:

$$\Pr\left[\left. \begin{aligned} \mathcal{A}_2(z,\tau) = b \middle| \begin{array}{c} \textit{pp} \leftarrow \varPi. \mathsf{Setup}(1^{\lambda},T), \\ (m_0,m_1,\tau) \leftarrow \mathcal{A}_1(1^{\lambda},T,\textit{pp}), \\ b \leftarrow \$ \ \{0,1\} \\ z \leftarrow \varPi. \mathsf{Gen}(m_b,\textit{pp}) \\ \\ \leq \frac{1}{2} + \mathsf{negl}(\lambda). \end{aligned} \right.$$

Definition 21. HTLP Compactness Given C_{λ} a class of circuits, the HTLP protocol Π = (Setup, Gen, Aggregate, Solve) is compact if for all polynomials T in λ , all circuits $C \in \mathbb{C}_{\lambda}$, all inputs $(s_0, ..., s_n) \in \mathbb{S}^n$, all pp in the support of Π .Setup $(1^{\lambda}, T)$, and all z_i in the support of Π .Gen (s_i, pp) , assuming $\overline{z} = \Pi$.Aggregate $(C, z_0, ..., z_n, pp)$ we have:

- The running time of the algorithm Π .Aggregate $(C, z_0, ..., z_n, pp)$ is bounded by $p_0(\lambda, |C|)$ for a fixed polynomial p_0 .

- The size of \overline{z} is bounded by $p_1(\lambda, |C(s_0, ..., s_n)|)$ for a fixed polynomial p_1 .

Algorithm 2 Modified Linearly Homomorphic Time-lock Puzzle (Π_{MTLP})

- Setup $(1^{\lambda}, T)$: Outputs system's public parameters $pp \leftarrow (N, g, T, h)$. N is a safe RSA number with $|N| = 2\lambda$, g is a generator of the group \mathbb{J}_N , $h \leftarrow g^{2^T} \mod N$, and T is the delay parameter (minimum number of modular squaring needed for solving the puzzle).
- Gen(s, pp): For the secret $s \in \mathbb{Z}_N$, samples the random numbers $r, k \leftarrow \mathbb{Z}_N$ and outputs (u, v, y, w) such that: $u \leftarrow g^{r+s} \mod N$, $v \leftarrow h^{(r+s)N}(1+N)^s \mod N^2$, $y \leftarrow g^k \mod N$, and $w \leftarrow h^{kN}(1+N)^r \mod N^2$.
- Aggregate $((u_1, v_1, y_1, w_1), ...(u_n, v_n, y_n, w_n), pp)$: Returns $(\bar{u}, \bar{v}, \bar{y}, \bar{w})$ for $\bar{u} \leftarrow \Pi u_i \mod N, \ \bar{v} \leftarrow \Pi v_i \mod N^2, \ \bar{y} \leftarrow \Pi y_i \mod N, \ and \ \bar{w} \leftarrow \Pi w_i \mod N^2$.
- Solve ((u, v, y, w), pp): Calculates $x \leftarrow u^{2^T} \mod N$ and sets $s \leftarrow \frac{v/x^N \mod N^2 - 1}{N}$. If $s \in \mathbb{Z}_N$ returns s, otherwise returns \perp .

Note that with having the puzzle z = (u, v, y, w) as the input, the Solve procedure does not use y and w. We will later see their usage when constructing our MDE. Additionally, to eliminate the need for trust during the Setup phase, we can use an untrusted distributed RSA modules generation protocol using MPC [3]. Now, let's prove the security and correctness of Π_{MTLP} :

Theorem 4. Let N be a safe RSA modulus. If the strong sequential squaring assumption is held in \mathbb{J}_N and the DCR assumption is held in $\mathbb{Z}_{N^2}^*$, then Π_{MTLP} is a time-lock puzzle entitled to the correctness, security, and compactness requirements.

Proof. We start by proving the correctness first. Correctness: Lemma 11 directly implies the correctness condition.

Lemma 11. Given the puzzle $(u, v, y, w) \leftarrow \Pi_{\mathsf{MTLP}}.\mathsf{Gen}(s, pp)$ for $s \in \mathbb{N}$, the output of $\Pi_{\mathsf{MTLP}}.\mathsf{Solve}(u, v)$ will be $s \mod N$.

Proof.

$$x = u^{2^T} \mod N = (g^{r+s})^{2^T} \mod N = g^{(r+s)2^T} \mod N.$$

According to Lemma 1:

$$x^N \mod N^2 = (x \mod N)^N \mod N^2.$$

Assume s = qN + k for some $q \in \mathbb{N}$ and k < N. Therefore:

$$v/x^N \mod N^2 = h^{(r+s)N}(1+N)^s/g^{(r+s)N2^T} \mod N^2$$

= $(1+N)^s \mod N^2 = 1+sN \mod N^2 = 1+kN.$

Finally:

$$\frac{v/x^N \mod N^2 - 1}{N} = \frac{kN}{N} = s \mod N.$$

Security: To prove the security, we first prove the following lemma:

Lemma 12. For any PPT adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ which the depth of \mathcal{A}_2 is bounded by $T^{\epsilon}(\lambda)$ from above where λ is the security parameter, T is a polynomial and $0 < \epsilon < 1$:

$$\Pr\left[\begin{array}{l} \mathcal{A}_{2}(z_{b},\tau) = b \middle| \begin{array}{l} pp \leftarrow \Pi_{\text{MTLP}}.\text{Setup}(1^{\lambda},T), \\ (s,\tau) \leftarrow \mathcal{A}_{1}(1^{\lambda},T,pp), \\ b \leftarrow \$ \ \{0,1\}, \\ z_{0} \leftarrow \Pi_{\text{MTLP}}.\text{Gen}(s,pp), \\ z_{1} \leftarrow \$ \ \mathbb{J}_{N} \times \mathbb{J}_{N^{2}} \\ \times \mathbb{J}_{N} \times \mathbb{J}_{N^{2}} \end{array} \right] \\ \leq \frac{1}{2} + \operatorname{negl}(\lambda).$$

The proof of this lemma is in Appendix E. In other words, we show that the tuple (u, v, y, w) does not reveal anything about the secret s. Now, it is time to prove the main security theorem. We do this by contradiction. Assume the adversary $\overline{\mathcal{A}} = (\overline{\mathcal{A}}_1, \overline{\mathcal{A}}_2)$ breaks the security of Π_{MTLP} . Then we construct a new adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ to contradict the result of Lemma 12. \mathcal{A}_1 on receiving $(1^{\lambda}, T, pp)$ calls $(m_0, m_1, \tau) \leftarrow \overline{\mathcal{A}}_1(1^{\lambda}, T, pp)$. Without loss of generality, assume $\overline{\mathcal{A}}_2$ can answer the experiment correctly with non-negligible advantage σ when it is called by the message m_0 . Then, \mathcal{A}_1 returns (m_0, τ) . Finally, \mathcal{A}_2 after receiving (z_b, τ) outputs whatever $\overline{\mathcal{A}}_2(z_b, \tau)$ returns. Observe $(\mathcal{A}_1, \mathcal{A}_2)$ has at least $\sigma/2$ which proves the security of Π_{MTLP} .

Compactness: It is easy to verify that the size of the aggregated puzzle via Aggregate function is polynomial to the circuit length and will not increase by the number of puzzles. Additionally, note that Aggregate runs in polynomial time to the circuit size.

E Proof of Lemma 12

Proof. Via a set of hybrids, we have:

Hybrid \mathcal{H}_0 : We begin by setting \mathcal{H}_0 as the original scheme and sampling z_1 from \mathcal{H}_0 . Hence, $z_1 \leftarrow \Pi_{\text{MTLP}}$. Gen(s, pp). Clearly, no adversary can distinguish between z_0 and z_1 since they share the exact same distribution.

Hybrid \mathcal{H}_1 : In this hybrid, the tuple (u, v, y, w) is constructed as $r, s \leftarrow \mathbb{Z}_N$, $k \leftarrow \mathbb{Z}_{N/2}, u \leftarrow g^{r+s} \mod N, v \leftarrow h^{(r+s)N}(1+N)^s \mod N^2, y \leftarrow g^k$ mod N and $w \leftarrow c^N(1+N)^r \mod N^2$ for $c \leftarrow \mathbb{J}_N$. One can verify that the only difference from \mathcal{H}_0 is that w instead of $h^{kN}(1+N)^r \mod N^2$ is $w \leftarrow c^N(1+N)^r \mod N^2$, but for the rest it is the same as \mathcal{H}_0 . Via a reduction against the strong sequential squaring assumption in \mathbb{J}_N we want to show that given $z_0 \leftarrow \mathbb{H}_0$ and $z_1 \leftarrow \mathbb{H}_1$ there can not be any efficient distinguisher $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ who can succeed in distinguishing between z_0 and z_1 . We now construct the distinguisher $\mathcal{R} = (\mathcal{R}_1, \mathcal{R}_2)$ who breaks the strong sequential squaring assumption as follows. \mathcal{R}_1 on receiving (N, T, g) calculates

 $h \leftarrow g^{2^T} \mod N, \ pp \leftarrow (N, g, T, h) \ and \ calls \ (s, \tau') \leftarrow \mathcal{A}_1(1^{\lambda}, T, pp), \ then, \ returns \ \tau \leftarrow (s, pp, \tau').$ Next, the challenger calls \mathcal{R}_2 with $(x, y, (s, pp, \tau')).$ Then, \mathcal{R}_2 constructs $\hat{z} \leftarrow (\hat{u}, \hat{v}, \hat{y}, \hat{w})$ where $\hat{r}, \leftarrow \$ \mathbb{Z}_N, \ \hat{u} \leftarrow g^{\hat{r}+s}, \ \hat{v} \leftarrow h^{(\hat{r}+s)N}(1+N)^s \mod N^2, \ \hat{y} \leftarrow x, \ and \ \hat{w} \leftarrow (y^N \mod N^2)(1+N)^{\hat{r}} \mod N^2.$ Now, consider two following cases:

- $x \leftarrow \mathbb{J}_N, y \leftarrow x^{2^T} \mod N$: The tuple (N, g, g^{2^T}, x, y) is a squared tuple. Therefore, $(\hat{u}, \hat{v}, \hat{y}, \hat{w})$ is a sample from \mathcal{H}_0 since $\hat{y} = x$ and $\hat{w} = x^{N2^T}(1 + N)^{\hat{r}} \mod N^2$.
- $-x \leftarrow \mathbb{S} \mathbb{J}_N, \ y \leftarrow \mathbb{S} \mathbb{J}_N: (N, g, g^{2^T}, x, y) \ is \ a \ uniform \ tuple \ and, \ consequently,$ $(\hat{u}, \hat{v}, \hat{y}, \hat{w}) \ is \ of \ the \ form \ \mathcal{H}_1 \ since \ \hat{w} = c^N (1+N)^{\hat{r}} \ \mod \ N^2 \ for \ c = y.$

Finally, \mathcal{R}_2 invokes $\mathcal{A}_2(\hat{z}, \tau')$ and outputs whatever \mathcal{A}_2 returns. Therefore, \mathcal{R} 's advantage in breaking the sequential squaring assumption in \mathbb{J}_N is equal to \mathcal{A} 's advantage in distinguishing between \mathcal{H}_0 and \mathcal{H}_1 .

Hybrid \mathcal{H}_2 : In this hybrid, the tuple (u, v, y, w) is constructed such that $r, s \leftarrow \mathbb{Z}_N$, $u \leftarrow g^{r+s} \mod N$, $v \leftarrow h^{(r+s)N}(1+N)^s \mod N^2$, $y \leftarrow \mathbb{J}_N$ and $w \leftarrow c^N(1+N)^r \mod N^2$ for $c \in \mathbb{J}_N$. The only difference between \mathcal{H}_1 and \mathcal{H}_2 is that y is replaced with a uniformly chosen element from \mathbb{J}_N . Clearly, the distribution of \mathcal{H}_2 and \mathcal{H}_1 are identical.

Hybrid \mathcal{H}_3 : Now, in this hybrid, for the tuple (u, v, y, w) we have $r, s \leftarrow \mathbb{Z}_N, c \leftarrow \mathbb{Z}_N$, $u \leftarrow g^{r+s} \mod N, v \leftarrow h^{(r+s)N}(1+N)^s \mod N^2, y \leftarrow \mathbb{Z}_N, w \leftarrow c(1+N)^r \mod N^2$. The only difference between \mathcal{H}_2 and \mathcal{H}_3 is the way w is constructed. We will focus on the case where z_0 is sampled according to \mathcal{H}_3 and z_1 is sampled from \mathcal{H}_2 . We prove the an adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ who can distinguish between z_0 , and z_1 will break the DCR assumption over $\mathbb{Z}_{N^2}^*$. Via proof by contradiction, we construct the PPT adversary \mathcal{R} such that on receiving the input (N, y) chooses T and constructs $g \leftarrow \mathbb{J}_N$ and $h \leftarrow g^{2^T} \mod N$ and sets $pp \leftarrow (N, g, T, h)$. Then, runs $(s, \tau') \leftarrow \mathcal{A}_1(1^\lambda, T, pp)$. Finally, calls $\mathcal{A}_2(z, \tau)$ and returns the output of \mathcal{A}_2 where $z = (\hat{u}, \hat{v}, \hat{y}, \hat{w}), \hat{r} \leftarrow \mathbb{Z}_N, \hat{u} \leftarrow g^{\hat{r}+s} \mod N, \hat{v} \leftarrow h^{N(\hat{r}+s)}(1+N)^s \mod N^2, \hat{y} \leftarrow \mathbb{J}_N, w \leftarrow y(1+N)^{\hat{r}} \mod N^2$. Now, we show that the inputs of \mathcal{A}_2 are always according to either \mathcal{H}_2 or \mathcal{H}_3 :

- $x \leftarrow \mathbb{Z}_N^*, y = x^N \mod N^2$: Note that with probability almost 1/2, $x \in \mathbb{J}_N$. In that case, \hat{w} will be $x^N(1+N)^r \mod N^2$ which has exactly the same distribution as \mathcal{H}_2 .
- $y \leftarrow \mathbb{Z}_{N^2}^*$: Similarly, $y \in \mathbb{J}_{N^2}$ with 1/2 probability. Then, $\hat{w} = y(1+N)^{\hat{r}} \mod N^2$ for a randomly chosen y from \mathbb{J}_{N^2} with 1/2 chance which is in the form of \mathcal{H}_3 .

Therefore, assuming the advantage of \mathcal{A} is σ , \mathcal{R} will have $\sigma/2$ advantage in breaking DCR assumption over $\mathbb{Z}_{N^2}^*$.

Hybrid \mathcal{H}_4 : In this hybrid, w is replaced with a randomly chosen element from \mathbb{J}_{N^2} . Therefore, \mathcal{H}_4 is consist of (u, v, y, w) for $r, s \leftarrow \mathbb{Z}_N, u \leftarrow g^{r+s} \mod N, v \leftarrow h^{(r+s)N}(1+N)^s \mod N^2, y \leftarrow \mathbb{J}_N$, and $w \leftarrow \mathbb{J}_{N^2}$. Then, we first prove the below lemma:

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Lemma 13. For $r \in \mathbb{Z}_N$ call X_r and Y as random variables which represent $x = c(1+N)^r \mod N^2$ for $c \leftarrow \mathbb{SJ}_{N^2}$ and $y \leftarrow \mathbb{SJ}_{N^2}$ respectively. Then, X_r and Y are statistically indistinguishable.

Proof. First, we know that $gcd((1+N)^r, N^2) = 1$. Additionally, $\left(\frac{(1+N)^r}{N^2}\right) = +1$ according to the result of the Lemma 10 which implies that $(1+N)^r \in \mathbb{J}_{N^2}$. Therefore $(1+N)^r$ has an inverse element in \mathbb{J}_{N^2} and consequently, given $x \in \mathbb{J}_{N^2}$ and $r \in \mathbb{Z}_N$, there exist a unique $c \in \mathbb{J}_{N^2}$ such that $x = c(1+N)^r \mod N^2$. Thus, for every $\alpha \in \mathbb{J}_{N^2}$ we have:

$$\Pr_{c \in \mathbb{J}_{N^2}} [c(1+N)^r \mod N^2 = a | r] = \frac{1}{|\mathbb{J}_{N^2}|}$$

Therefore:

$$\begin{aligned} \Delta(X_r, Y) &= \frac{1}{2} \sum_{a \in \mathbb{J}_{N^2}} \left| \Pr[X_r = a] - \Pr[Y = a] \right| \\ &= \frac{1}{2} \sum_{a \in \mathbb{J}_{N^2}} \left| \Pr_{c \in \mathbb{J}_{N^2}} [c(1+N)^r \mod N^2 = a|\ r] - \frac{1}{|\mathbb{J}_{N^2}|} \right| \\ &= \frac{1}{2} \sum_{a \in \mathbb{J}_{N^2}} \left| \frac{1}{|\mathbb{J}_{N^2}|} - \frac{1}{|\mathbb{J}_{N^2}|} \right| = 0. \end{aligned}$$

As mentioned, the only difference between \mathcal{H}_3 and \mathcal{H}_4 is in instantiating w. Given the random variables X_r and Y as the distribution of w in \mathcal{H}_3 and \mathcal{H}_4 respectively, the result of Lemma 13 directly implies that the hybrids \mathcal{H}_4 and \mathcal{H}_3 are statistically indistinguishable.

Hybrid \mathcal{H}_5 : In this hybrid, the tuple (u, v, y, w) is constructed as $r, s \leftarrow \mathbb{Z}_N, c \leftarrow \mathbb{Z}_N$, $u \leftarrow g^{r+s} \mod N$, $v \leftarrow c^N(1+N)^s \mod N^2$, $y \leftarrow \mathbb{J}_N$, $w \leftarrow \mathbb{J}_{N^2}$. The only difference with \mathcal{H}_4 is the way v is constructed. Instead of $h^{(r+s)N}(1+N)^s \mod N^2$ it is sampled as $c^N(1+N)^s \mod N^2$ for a random $c \in \mathbb{J}_N$. We will show that if we sample $z_0 \leftarrow \mathbb{H}_4$ and $z_1 \leftarrow \mathbb{H}_5$, then an efficient distinguisher $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2)$ between z_0 and z_1 with the advantage σ , has a nonnegligible advantage in distinguishing a squaring tuple in \mathbb{J}_N . Similar to the approach we designed between the hybrids \mathcal{H}_0 and \mathcal{H}_1 , we use the attacker $\mathcal{R} = (\mathcal{R}_1, \mathcal{R}_2)$ such that on receiving the tuple (N, T, g), \mathcal{R}_1 sets $h \leftarrow g^{2^T}$ and $pp \leftarrow (N, g, T, h)$. Then, calls $(s, \tau') \leftarrow \mathcal{A}_1(1^\lambda, T, pp)$ and returns $\tau \leftarrow (s, pp, \tau')$. Then, \mathcal{R}_2 after receiving (x, y, h) samples the tuple $z \leftarrow (\hat{u}, \hat{v}, \hat{y}, \hat{w})$ such that $\hat{u} \leftarrow x, \hat{v} \leftarrow y^N(1+N)^s \mod N^2, \hat{y} \leftarrow \mathbb{J}_N$, and $\hat{w} \leftarrow \mathbb{S} \mathbb{J}_{N^2}$. Finally, returns the output of $\mathcal{A}_2(z, \tau')$. Now, we will show that with 5/8 probability, the inputs to \mathcal{A}_2 are distributed according to either \mathcal{H}_4 or \mathcal{H}_5 :

- $x \leftarrow \$ \ \mathbb{J}_N, y \leftarrow x^{2^T} \mod N$: Assume $x = g^{\alpha} \mod N$ for some $\alpha \in \mathbb{Z}_N$. Therefore, $\hat{u} = g^{\alpha} \mod N$ and $\hat{v} = g^{\alpha N 2^T} (1+N)^s \mod N^2$. Since the distribution of α is close to uniform distribution in $\mathbb{Z}_{N/2}$, and s also comes uniformly from \mathbb{Z}_N , with probability 1/4, $\alpha \geq s$ and we can write \hat{u} as

 $g^{(\alpha-s)+s}$ and \hat{v} as $g^{((\alpha-s)+s)N2^T}(1+N)^s \mod N^2$. Consequently, the tuple $(\hat{u}, \hat{v}, \hat{y}, \hat{w})$ has identical distribution as \mathcal{H}_4 with probability 1/4.

- $x \leftarrow \mathbb{J}_N, y \leftarrow \mathbb{J}_N$: Then $\hat{u} = x$ and $\hat{v} = y^N (1+N)^s \mod N^2$ for a randomly chosen y from \mathbb{J}_N which clearly implies that $(\hat{u}, \hat{v}, \hat{y}, \hat{w})$ represents a sample from \mathcal{H}_5 .

Therefore, with probability $1/2 \times 1/4 + 1/2 = 5/8$, \mathcal{A}_2 is fed with proper inputs and can produce σ advantage. Consequently, \mathcal{R} must have at least $5\sigma/8$ advantage to break the strong sequential squaring assumption in \mathbb{J}_N .

Hybrid \mathcal{H}_6 : Same as \mathcal{H}_3 , we can use $v \leftarrow c(1+N)^s \mod N^2$ for $c \leftarrow \mathbb{J}_{N^2}$ via a reduction against the DCR assumption in $\mathbb{Z}_{N^2}^*$.

Hybrid \mathcal{H}_7 : Similar to what we did for \mathcal{H}_4 , according to Lemma 10 we can replace v with a random sample from \mathbb{J}_{N^2} .

Hybrid \mathcal{H}_8 : Finally, it is easy to conclude that there is no information about the secret s left in u. Therefore, we sample u from \mathbb{J}_N .

F Proof of Theorem 1

Proof. Clearly, the scheme is public – coin since the verifier only broadcasts a randomly chosen e. Additionally, we already know that Π_{ERP} . Verify is a succinct zero-knowledge argument of knowledge which guarantees that the exponent of u, r + s is in \mathbb{Z}_N/n .

Correctness: The final step of Verify functionality in Algorithm 1 checks five conditions which are easy to verify their correctness:

$$g^{\alpha} = g^{(r+s+k)e+x} = (g^{r+s}g^k)^e \times g^x = (uy)^e \times a, g^{\beta} = g^{(r+s)e+t} = (g^{r+s})^e \times g^t = u^e \times \tau, h^{\alpha N}(1+N)^{\beta} = h^{((r+s+k)e+x)N}(1+N)^{(r+s)e+t \mod N} = h^{(r+s+k)eN}(1+N)^{(r+s)e \mod N} \times h^{tN}(1+N)^x = (vw)^e b.$$

Soundness: We now try to build an emulator E that will extract the witness r + s from a potentially malicious prover P^* . E rewinds P^* to line number 23 of Figure 5 until it gets two accepting transcripts $(\alpha_1, \beta_1, \tau_1)$ and $(\alpha_2, \beta_2, \tau_2)$ for the challenges e_1 , $e_2 \leftarrow \mathbb{Z}_{2^{\lambda}}$. Such that $g^{\alpha_1} = (uy)^{e_1} \times a$, $g^{\alpha_2} = (uy)^{e_2} \times a$. Now, we want to find the discrete log of uy. Assuming $e_1 > e_2$, take $e' = e_1 - e_2$,

 $\alpha' = \alpha_1 - \alpha_2$, and $\beta' = \beta_1 - \beta_2$. Therefore, $g^{\alpha_1}/g^{\alpha_2} = (uy)^{e_1} \times a/((uy)^{e_2} \times a) = g^{\alpha'} = (uy)^{e'}$. Next, according to Lemma 7, e' must divide α' . Therefore:

- If e' is odd: Since e' < p and e' < q, $gcd(e', |\mathbb{J}_N|)$ will be one. Note that the order of the \mathbb{J}_N (group generated by g) is $\phi(N)/2 = 2pq$. Then, via Lemma 4, E can extract the discrete log of u as α'/e' .
- If e' is even: We can write e' as $2^{d}\bar{e}$. Then given $k = \alpha'/e'$, $g^{ke'} = (uy)^{e'} = g^{k2^{d}\bar{e}} = (uy)^{2^{d}\bar{e}}$. Therefore, via Lemma 3 and given $gcd(\bar{e}, |\mathbb{J}_{N}|) = 1$ we can say that $g^{k2^{d}}(uy)^{-2^{d}} = 1$. Additionally, there must be some ρ such that $g^{k}(uy)^{-1} = g^{\rho}$; therefore, $\rho 2^{d} = k' \times |\mathbb{J}_{N}| = k' \times 2pq$ for some k' since |g| = 1

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 $|\mathbb{J}_N|$. Then, 2^{d-1} should divide k' since p and q are large prime numbers. Therefore, we can write 2ρ as $k'/2^{d-1}2pq = k''2pq$ for some integer $k'' = k'/2^{d-1}$. Subsequently, we can conclude that $(g^k(uy)^{-1})^2 = (g^{\rho})^2 = g^{2\rho} = 1$. Via Lemma 5, we know that $g^k(uy)^{-1}$ can be non-trivial with only negligible probability. Consequently, it must be ± 1 , which implies that we can find the discreet logarithm of uy, which is k.

Let $d_1 \leftarrow \log_q(u)$ and $d_2 \leftarrow \log_q(y)$. Therefore, so far, E could extract the value of $d_1 + d_2$. Using α_1 it can further find the value of x as well such that $g^{x} = a$. Via similar arguments, E can extract t. Additionally, following the result of Lemmas 9 and 8, for $F = \{(1+N)^x \mid x \in \mathbb{Z}_N\}$ we have $\mathbb{Z}_N^* \times F \stackrel{\sim}{=} \mathbb{Z}_{N^2}^*$. Note that the group h > is only a subgroup of \mathbb{Z}_N^* with exactly 1/4 of the elements of \mathbb{Z}_N^* . Therefore, we can write v as $h^{v_1N}(1+N)^{v_2}l_v \mod N^2$, w as $h^{w_1N}(1+N)^{w_2}l_w \mod N^2$, and b as $h^{b_1N}(1+N)^{b_2}l_b \mod N^2$ for some l_v, l_w and $l_b \in \mathbb{Z}_{N^2}^*$ such that for all $i, j \in \mathbb{Z}_N$, $h^{iN}(1+N)^j$ is co-prime to all of the l_v, l_w and l_b . Therefore, $(vw)_1^e b = h^{((v_1+w_1)e_1+b_1)N}(1+N)^{(v_2+w_2)e_1+b_2}(l_v l_w)^{e_1} l_b$ mod $N^2 = h^{\alpha_1 N} (1+N)^{\beta_1} \mod N^2$. It is easy to verify that $(l_v l_w)^{e_1} l_b$ must be 1. Since the prover does not know e_1 in advance, $l_v l_w = l_b = 1$; therefore, $(vw)^{e_1}b = h^{((v_1+w_1)e_1+b_1)N}(1+N)^{(v_2+w_2)e_1+b_2} = h^{\alpha_1N}(1+N)^{\beta_1} \mod N^2.$ As a result, $\alpha_1 = (v_1 + w_1)e_1 + b_1$ and $\beta_1 = (v_2 + w_2)e_1 + b_2$. Additionally, we knew that $\alpha_1 = (d_1 + d_2)e_1 + x$; thus, $b_1 = x$ and $v_1 + w_1 = d_1 + d_2$. Additionally, $g^{\beta_1} = u^{e_1}\tau$ which implies that $\beta_1 = d_1e + t$. Finally, we can show that $d_1e + t = (v_2 + w_2)e + b_2$, thus, $d_1 = v_2 + w_2$ and $b_2 = t$. Furthermore, E can easily extract the value of $v_2 + w_2$ as well using β_1 . In conclusion, we showed that E can extract the exponent of u and j in $vw = h^{iN}(1+N)^j \mod N^2$ for some i, and i has to be equal to $log_a(u)$.

Zero-knowledge: To show the zero-knowledge property, we use the method introduced in [27]. The transcript of protocol between the prover and the verifier in Verify consists of $T = (a, b, \tau, e, \alpha, \beta)$. Now we build a simulator to re-construct a new transcript $T' = (a', b', e', \alpha', \beta', \tau)$ such that $\alpha' \leftarrow \$ \mathbb{Z}_{(N/2+N/n) \times 2^{2\lambda}}, \beta' \leftarrow \$ \mathbb{Z}_{N/n \times 2^{2\lambda}}, \tau' = g^{\beta'}/u^{e'}, a' \leftarrow g^{\alpha'}/u^{e'}, b \leftarrow h^{\alpha'N}(1+N)^{\beta'}/v^{e'}, e' \leftarrow \$ \mathbb{Z}_{2^{\lambda}}$ which is statistically indistinguishable from T with a set of hybrids:

Hybrid \mathcal{H}_0 : It is the original transcript: $a \leftarrow g^x$, $b \leftarrow h^{xN}(1+N)^t \mod N^2$, $e \leftarrow \mathbb{Z}_{2^{\lambda}}$, $\alpha \leftarrow se + x$, $\beta \leftarrow se + t \mod N$, $\tau \leftarrow g^t \mod N$.

Hybrid \mathcal{H}_1 : Unlike the real transcript, sample $\alpha \leftarrow$ $[(r+s+k)e, (r+s+k)e + (N/2 + N/n) \times 2^{2\lambda})$ and $a \leftarrow g^{\alpha - (r+s+k)e}$. Clearly, \mathcal{H}_0 and \mathcal{H}_1 are statistically indistinguishable.

Hybrid \mathcal{H}_2 : Set $a \leftarrow g^{\alpha}/(uy)^e$. It is easy to verify that this new transcript is the same as \mathcal{H}_1 .

Hybrid \mathcal{H}_3 : This time, we extend the range of sampling α to $\alpha \leftarrow \mathbb{Z}_{(N/2+N/n)\times 2^{2\lambda}}$. Then, we prove that the statistical distance between \mathcal{H}_2 and \mathcal{H}_3 is negligible. The only difference between these two is α . Therefore, with having X as the random variable of α in \mathcal{H}_2 and Y as the same variable in \mathcal{H}_3 . We show that $\Delta(X, Y)$ is negligible in parameter λ , as follows.

$$\begin{split} \varDelta(X,Y) &= \frac{1}{2} \sum_{\alpha \ \in \ I_1} \frac{1}{(N/2 + N/n) \times 2^{2\lambda}} \\ &+ \frac{1}{2} \sum_{\alpha \ \in \ I_2} \frac{1}{(N/2 + N/n) \times 2^{2\lambda}} - \frac{1}{(N/2 + N/n) \times 2^{2\lambda}} \\ &+ \frac{1}{2} \sum_{\alpha \ \in \ I_3} \frac{1}{(N/2 + N/n) \times 2^{2\lambda}} \\ &= \frac{1}{(N/2 + N/n) \times 2^{2\lambda}} \times (r + s + k)e \\ &\leq \frac{1}{(N/2 + N/n) \times 2^{2\lambda}} \times (N/2 + N/n) \times 2^{\lambda} = 2^{-\lambda}, \end{split}$$

where $I_1 = [0, (r + s + k)e), I_2 = [(r + s + k)e, (N/2 + N/n) \times 2^{2\lambda}), and I_3 = [(N/2 + N/n) \times 2^{2\lambda}, (r + s + k)e + (N/2 + N/n) \times 2^{2\lambda}).$

Hybrid \mathcal{H}_4 : Similarly, sample $\beta \leftarrow \mathfrak{s} [(r+s)e, (r+s)e+N/n \times 2^{2\lambda})$ and $b \leftarrow h^{\alpha}(1+N)^{\beta-(r+s)e}$. It is easy to verify that \mathcal{H}_3 and \mathcal{H}_4 are statistically indistinguishable. **Hybrid** \mathcal{H}_5 : Set $b \leftarrow h^{\alpha N}(1+N)^{\beta}/(vw)^e$ and $\tau = g^{\beta}/u^e$ This new transcript is clearly the same as \mathcal{H}_4 .

Hybrid \mathcal{H}_6 : Finally, we extend the range of sampling α to $\beta \leftarrow \mathbb{Z}_{N/n \times 2^{2\lambda}}$. Same as before, we can prove that the statistical distance between \mathcal{H}_5 and \mathcal{H}_6 is negligible. The only difference between these two is β . Therefore, with having X as the random variable of β in \mathcal{H}_5 and Y as the same variable in \mathcal{H}_3 below we show that $\Delta(X, Y)$ is negligible in parameter λ as it is shown below:

$$\begin{aligned} \Delta(X,Y) &= \frac{1}{2} \sum_{\beta \in I_1} \frac{1}{N/n \times 2^{2\lambda}} \\ &+ \frac{1}{2} \sum_{\alpha \in I_2} \frac{1}{N/n \times 2^{2\lambda}} - \frac{1}{N/n \times 2^{2\lambda}} \\ &+ \frac{1}{2} \sum_{\beta \in I_3} \frac{1}{N/n \times 2^{2\lambda}} \\ &= \frac{1}{N/n \times 2^{2\lambda}} \times (r+s)e \leq \frac{1}{N/n \times 2^{2\lambda}} \times N/n \times 2^{\lambda} \\ &= 2^{-\lambda}, \end{aligned}$$
(3)

where $I_1 = [0, (r+s)e), I_2 = [(r+s)e, N/n \times 2^{2\lambda}), and I_3 = [N/n \times 2^{2\lambda}, (r+s)e + N/n \times 2^{2\lambda})$. Therefore, we proved that the real transcript T is statistically indistinguishable from the transcript generated by the simulator, T'.

G Proof of Theorem 2

Proof. Correctness: To the correctness of Theorem 2, assume there are n number of shares with the extraction, and public keys $ek_i = (u_i, v_i, y_i, w_i)$ and

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 pk_i , where \forall_i Verify $(n, (ek_i, pk_i), pp) = true$, we can conclude that there exists $r_i, s_i, k_i \in \mathbb{N}$ where $r_i + s_i \in \mathbb{Z}_{N/2n}$ such that $u_i = g^{r_i + s_i}$, $y_i = g^{k_i} \mod N$, $v_i w_i = h^{(r_i + s_i + k_i)N}(1 + N)^{r_i + s_i} \mod N^2$ as the result of Theorem 1. Let $\overline{ek} = (\overline{u}, \overline{v}, \overline{y}, \overline{w}) = \operatorname{Aggregate}((ek_1, pk_1), \dots (ek_n, pk_n))$. Then, the output of Solve (\overline{ek}, pp) will be $\overline{s} \leftarrow \Pi$.Solve(z, pp) for $z = (\overline{u}\overline{y}, \overline{v}\overline{w}, \bot, \bot)$. Additionally, according to Lemma 11, $\overline{s} = \sum r_i + s_i \mod N$. Also, we know that $r_i, s_i \in \mathbb{Z}_{N/2n}$. Therefore, $\sum r_i + s_i < \mathbb{Z}_N$. Thus, Solve gives us $\sum r_i + s_i$. Moreover, $\overline{pk} = g^{\sum s_i, r_i}$ and consequently, $\overline{pk} = g^{\overline{sk}}$. Finally, given a message $m \in \mathcal{M}$, Decrypt $((c_1, c_2), sk, pp)$ for $(c_1, c_2) = \operatorname{Encrypt}(m, pk, pp)$:

$$c_2/c_1^{\overline{sk}} = m \times \overline{pk}^r/g^{r \times \overline{sk}} = m \times g^{\overline{sk}}/g^{\overline{sk}} = m.$$

Security: We start by proving the security of MDE under non-adaptive adversary setting via the below lemma. Later, through reduction, we will prove that our scheme is also adaptively secure.

Lemma 14. MDE Non-Adaptive Security. Let the MDE protocol $\Pi_{\text{MDE}} = (\text{Setup, Gen, Verify, Aggregate, Encrypt, Decrypt, Extract})$. Then, for every probabilistic polynomial time adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2, \mathcal{A}_3)$ which the depth of \mathcal{A}_2 and \mathcal{A}_3 are bounded by $T^{\epsilon}(\lambda)$ from above where T is a polynomial, $0 < \epsilon < 1$, and all $n = p_0(\lambda)$ for a fixed polynomial p_0 :

$$\Pr\left[\begin{array}{c} pp \leftarrow \Pi_{\text{MDE}}.\text{Setup}(n, 1^{\lambda}, \mathcal{T}), \\ ((ek_1, pk_1) \dots (ek_{n-1}, pk_{n-1}), \\ \tau_1) \leftarrow \mathcal{A}_1(T, pp, 1^{\lambda}), \\ (ek_n, pk_n) \leftarrow \Pi_{\text{MDE}}.\text{Gen}(n, pp), \\ ((m_0, m_1), \tau_2) \leftarrow \\ \mathcal{A}_2((ek_n, pk_n), \tau_1), \\ (ek_n, pk) \leftarrow \\ \Pi_{\text{MDE}}.\text{Aggregate}((ek_1, pk_1) \\ \dots (ek_n, pk_n), pp), \\ b \leftarrow \$ \{0, 1\}, \\ c \leftarrow \Pi_{\text{MDE}}.\text{Encrypt}(m_b, \overline{pk}) \\ \leq \frac{1}{2} + \text{negl}(\lambda). \end{array} \right]$$

The proof of Lemma 14 is in Appendix H. Next, to show the MDE's security under adaptive adversary, we prove it via contradiction. Assume there exist the adversary $\mathcal{A} = (\mathcal{A}_1, \mathcal{A}_2, \mathcal{A}_3)$ who can break the security in the game of Definition 8 with non-negligible advantage σ . Then, we construct the adversary $\mathcal{R} =$ $(\mathcal{R}_1, \mathcal{R}_2, \mathcal{R}_3)$ to break the security in Lemma 14. First, \mathcal{R}_1 on receiving $(T, pp, 1^{\lambda})$ calls $\mathcal{A}_1(T, pp, 1^{\lambda})$ to receive τ_1 and then generates n - 1 dummy shares via $\forall (\mathbf{ek}_i, \mathbf{pk}_i) \leftarrow \Pi_{\text{MDE}}.\text{Gen}(n, \mathbf{pp})$. Subsequently, returns $((\mathbf{ek}_1, \mathbf{pk}_1), \dots, (\mathbf{ek}_{n-1}, \mathbf{pk}_{n-1}),$ $(\mathbf{sk}_d, \tau_1))$ for $\mathbf{sk}_d = \Sigma_{i \in \{1...n-1\}}(r_i+s_i)$. Next, \mathcal{R}_2 on receiving $((\mathbf{ek}_n, \mathbf{pk}_n), (\mathbf{sk}_d, \tau_1))$ calls $((m_0, m_1), (\mathbf{ek}_1, \mathbf{pk}_1) \dots (\mathbf{ek}_{n-1}, \mathbf{pk}_{n-1}), \tau_2) \leftarrow \mathcal{A}_2((\mathbf{ek}_n, \mathbf{pk}_n), \tau_1)$. Since $\forall_{i \in \{1...n-1\}} \ \Pi_{\text{MDE}}. \text{Verify}(n, (ek_i, pk_i), pp) = True, therefore there is an extractor <math>\mathcal{E}$ which can extract the values of \hat{r}_i and \hat{s}_i that \mathcal{A}_2 used in generating (\hat{ek}, \hat{pk}) . Since \mathcal{R}_2 has access to the source code of \mathcal{A}_2 as well, it can run \mathcal{E} to find $\hat{sk} = \sum_{i \in \{1...n-1\}} \hat{r}_i + \hat{s}_i$ with probability $1 - \delta$ where δ is negligible. Finally, \mathcal{R}_2 returns $((m_0, m_1), (\hat{sk}, sk_d, \tau_2))$. Next, when \mathcal{R}_3 is called with the inputs $(c, (\hat{sk}, sk_d, \tau_2))$, assuming $c = (c_0, c_1)$, \mathcal{R}_3 constructs $\bar{c} = (\bar{c}_0, \bar{c}_1)$ as $\bar{c}_0 = c_0$ and $\bar{c}_1 = c_1 \times c_0^{\hat{sk}} / c_0^{sk_d} \mod N$. Finally, \mathcal{R}_3 returns the output of $\mathcal{A}_3(\bar{c}, \tau_2)$. The advantage of \mathcal{R} will be the non-negligible value $(1 - \delta)\sigma$ which finishes the proof.

H Proof of Lemma 14

Proof. We start by stating another variant of the security for Algorithm 1 whose proof is in Appendix I:

Lemma 15. Given a MDE protocol Π_{MDE} , for any PPT adversary \mathcal{A} whose depth is bounded by $T^{\epsilon}(\lambda)$ from above where T is a polynomial, $0 < \epsilon < 1$, and $n = p_0(\lambda)$ for a fixed polynomial p_0 :

$$\Pr\left[\begin{array}{l} \mathcal{A}(1^{\lambda}, z_{b}, pp) = b \middle| \begin{array}{l} pp \leftarrow \Pi_{\text{MDE}}. \mathsf{Setup}(n, 1^{\lambda}, T), \\ b \leftarrow \$ \{0, 1\}, \\ z_{0} \leftarrow \Pi_{\text{MDE}}. \mathsf{Gen}(n, pp), \\ z_{1} \leftarrow \$ \mathbb{J}_{N} \times \mathbb{J}_{N^{2}} \times \mathbb{J}_{N} \times \mathbb{J}_{N^{2}} \end{array} \right] \\ \leq \frac{1}{2} + \mathsf{negl}(\lambda).$$

Lemma 15 shows that the tuple (ek, pk) is indistinguishable from a uniform tuple for the bounded adversary \mathcal{A}_3 . Following the result of Lemma 15, we can replace (ek_n, pk_n) with a random sample from $\mathbb{J}_N \times \mathbb{J}_{N^2} \times \mathbb{J}_N \times \mathbb{J}_{N^2}$. Therefore, the tuple (ek, pk) also becomes indistinguishable from a random tuple for any \mathcal{A}_3 . It is obvious to show that the output of Π_{MDE} . Encrypt(m, pk, pp) will also remain random which completes the proof.

I Proof of Lemma 15

Proof. Note that the main difference between Lemmas 12 and 15 is the sampling range of s and r which are now instead from $\mathbb{Z}_{N/2n}$. Let σ be the advantage of \mathcal{A} in the experiment of Lemma 15. Then, using \mathcal{A} , we construct the adversary $\overline{\mathcal{A}} = (\overline{\mathcal{A}}_1, \overline{\mathcal{A}}_2)$ that engages in the experiment of Lemma 12. $\overline{\mathcal{A}}_1$ upon receiving the $(1^{\lambda}, T, pp)$ returns a randomly generated $s \leftarrow \mathbb{Z}_{N/2n}$ and an empty advice $\tau \leftarrow \bot$. Then, $\overline{\mathcal{A}}_2$ on receiving (z_b, τ) returns the output of $\mathcal{A}(1^{\lambda}, z_b, pp)$. It is easy to verify that the advantage of $\overline{\mathcal{A}}$ will be $\overline{\sigma} = \sigma(1/2 \times 1/2n + 1/2)$. Additionally, the result of Lemma 12 shows that $\overline{\sigma} = \operatorname{negl}(\lambda)$. Therefore, $\sigma(1/2 \times 1/2n + 1/2) =$ $\operatorname{negl}(\lambda) = \sigma(1/4p(\lambda) + 1/2)$; thus, $\sigma = \operatorname{negl}(\lambda) \times 4p(\lambda)/(1 + 2p(\lambda)) = \operatorname{negl}(\lambda)$. Consequently, there cannot be any adversary that succeeds in the experiment of Lemma 15.