CS251: Cryptocurrencies and Blockchain Technologies

Programming Project #4

Due: 11:59pm on Fri., **Nov. 19, 2021** Submit via Gradescope code: **D5GKRX**

In this lab you'll learn about

- circom, a tool for describing arithmetic circuits, and
- snarkjs, a tool for generating and verifying zk-SNARKs of circuit satisfaction.

You'll use this knowledge to explore the implementation of *private transactions* by:

- crafting a simple version of the Tornado spend circuit, and
- generating a proof of validity for a Tornado withdraw.

1 Setup

To get your environment set up, do the following:

- 1. Install nodejs and npm.
- 2. Install snarkjs (npm install -g snarkjs@0.1.11).
- 3. Install our fork of circom (npm install -g alex-ozdemir/circom#cs251).
- 4. Install the mocha test runner (npm install -g mocha).
- 5. Download and unzip the starter code.
- 6. Run **npm install** within the resulting folder.
- 7. Run **npm test** and verify that most of the tests fail, but not because of missing dependencies. (Note if tests fail because of dependency issues, you might be using an incompatible version of **snarkjs**. Please use version 0.1.11 as specified in the **package.json** file.

2 Learning About circom

First, follow the Iden3 circom tutorial at https://iden3.io/blog/circom-and-snarkjs-tutorial2. html. You can stop after the "Verifying the proof" section.

Then, read our example circuits in circuits/example.circom and answer the questions in artifacts/writeup.md.

```
Deliverable: artifacts/writeup.md
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Then, demonstrate your knowledge of circom and snarkjs by creating a proof that $7 \times 17 \times 19 = 2261$ (using the SmallOddFactors circuit). Store the verifier key in artifacts/verifier_key_factor.json and the proof in artifacts/proof_factor.json.

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Deliverable:
artifacts/verifier_key_factor.json, artifacts/proof_factor.json
```

3 A Switching Circuit

3.1 IfThenElse

The IfThenElse circuit (located in circuits/spend.circom) verifies the correct evaluation of a conditional expression. It has a single output, out and 3 inputs:

- condition, which should be 0 or 1,
- true_value, which out will be equal to if condition is 1, and
- false_value, which out will be equal to if condition is 0.

IfThenElse additionally enforces that condition is indeed 0 or 1.

Implement IfThenElse.

Deliverable: IfThenElse in file circuits/spend.circom

3.2 SelectiveSwitch

The SelectiveSwitch takes two inputs and produces two outputs, flipping the order if a third input is 1.

Implement SelectiveSwitch, making use of your IfThenElse circuit.

Deliverable: SelectiveSwitch in file circuits/spend.circom

4 A Spend Circuit

We're going to implement a simplified Tornado withdrawal as discussed in Lecture 14. The user has a pair (nullifier, nonce) and this pair defines a coin as

coin = H(nullifier, nonce)

where H is a hash function. Each such coin occupies one leaf of a Merkle tree. The first coin is placed in the left-most leaf of the Merkle tree, and every new coin is placed in the leaf immediately to the right of the previous coin.

When withdrawing a coin, the coin owner uses its (nullifier, nonce) pair to prove to the Tornado contract that the corresponding coin = H(nullifier, nonce) is one of the leaves of the Merkle tree, without revealing which one.

What you will do in this assignment is craft an arithmetic circuit for verifying that a (nullifier, nonce) pair corresponds to a coin in the Merkle tree. You will then reveal the nullifier publicly (allowing everyone to verify that this nullifier hasn't been spent already), and use a SNARK to prove the existence of a nonce such that the corresponding coin is in the Merkle tree, in zero-knowledge. The inputs to the circuit are thus:

- digest: the Merkle tree root digest (public),
- nullifier: the nullifier (public),
- nonce: the nonce (private), and
- Merkle path: a list of (direction, hash) pairs (private)

The circuit should verify that H(nullifier, nonce) is a leaf in a Merkle tree whose root hash is the provided digest. Specifically, the circuit should verify that the provided (private) Merkle path is a valid Merkle proof for the coin H(nullifier, nonce).

You should implement the verification circuit, Spend, in circuits/spend.circom.

For the hash function H used to define the coin and the Merkle tree, use the hash function Mimc2 whose circuit has been included into the file. You should make use of your SelectiveSwitch circuit to handle the directions properly.

Deliverable: Spend in file circuits/spend.circom

5 Computing the Spend Circuit Input

The only task that remains is writing a program that computes the Merkle path for a given nullifier/coin.

Implement this by implementing the computeInput function in src/compute_spend_input.js. This function takes the following inputs:

- depth: the depth of the Merkle tree.
- coins: a list of coins. Some are created by you, and are an array of two elements (the nullifier and nonce). Others were not created by you and are an array of a single value—the coin.
- nullifier: the nullifier to compute the circuit inputs for.

The function should return a JSON object suitable as input to the Spend circuit.

To assist you, we've provided a SparseMerkleTree class,

which you will find in src/sparse_merkle_tree.js. For the commitment hash-function, use mimc2, which has been included in the file.

Deliverable: src/compute_spend_input.js

6 Proving a Withdrawal

Finally, use your input computer, circom, and snarkjs to create a SNARK proving the presence of the nullifier "10137284576094" in Merkle tree of depth 10 corresponding to the transcript test/compute_spend_input/transcript3.txt. Use a depth of 10 (you'll find a depth-10 instantiation of your Spend circuit in test/circuits/spend10.circom), and place your verifier key in artifacts/verifier_key_spend.json and your proof in artifacts/proof_spend.json.

Deliverable: artifacts/verifier_key_spend.json, artifacts/proof_spend.json

7 Testing

You can, of course, check your proofs using snarkjs.

We've also provided a few unit tests for the various components of your system, which can be run using npm test.

8 Debugging Tips

Your version of circom supports the log (1 argument) function, which prints its argument.

9 Submission

Please upload a compressed file that contains all of your code files and write-up document to Gradescope. Do not include your npm modules directory for this project.