

VeriOSS: using the Blockchain to Foster Bug Bounty Programs

Position paper

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Abstract

Nowadays software is everywhere and this is particularly true for free and open source software (FOSS). Discovering bugs in FOSS projects is of paramount importance and many *bug bounty programs* attempt to attract skilled analysts by promising rewards. Nevertheless, developing an effective bug bounty program is challenging. As a consequence, many programs fail to support an efficient and fair bug bounty market. In this paper, we present *VeriOSS*, a novel bug bounty platform. The idea behind VeriOSS is to exploit the blockchain technology to develop a fair and efficient bug bounty market. To this aim, VeriOSS combines formal guarantees and economic incentives to ensure that the bug disclosure is both reliable and convenient for the market actors.

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1 Introduction

Free and open source software (FOSS) is becoming more and more popular.¹ Operating systems and applications that we use daily are often developed and maintained by consortia of partner industries and communities of developers. FOSS is even mandatory in some cases, e.g., cryptographic functions are publicly developed for transparency and revision.

Bug bounty programs are essential to attract skilled software analysts for the detection, disclosure and correction of software errors. In a bug bounty program, a *bounty issuer* (BI) offers a reward to any *bounty hunter* (BH) who discovers a bug in a piece of software. The offered reward usually depends on the typology and criticality of the bug. For instance, Google promises to pay up to 15000\$ for a sandbox escape vulnerability in the Chrome web browser.²

¹ <https://www.forbes.com/sites/taylorarmerding/2019/01/09/the-future-of-open-source-software-more-of-everything/>

² <https://www.google.com/about/appsecurity/chrome-rewards>

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40 Often, BI is the software developer or owner, e.g., Google in the example above. However,
41 a bounty can be also issued for third-party software. This is the case for FOSS components
42 involved in some critical systems, either open or proprietary. A prominent example of
43 bounties for third-parties software is the *Free and Open Source Software Audit* (FOSSA)
44 project, sponsored by the European Commission and offering bounties of up to several
45 hundreds of thousands of euros for vulnerabilities discovered in 14 major FOSS.³ According
46 to the project executives, FOSSA is a response to *Heartbleed*, a severe security vulnerability
47 that affected OpenSSL in 2014.⁴

48 Bug bounty programs are subject to numerous challenges. The main one is BI's lack of
49 commitment with respect to the eligibility of bugs. Usually, a BH is expected to disclose all
50 details of a bug to the BI who decides on the severity of the bug and therefore how much to
51 pay. Clearly, the BI has strong incentives to “downgrade” the bug or declare it not eligible
52 for the bounty. In this way, the BI depresses the payment to the BH who, at that point, has
53 no more bargaining power. For example, in 2016 the majority of the security report received
54 by Google were considered invalid.⁵ This makes the bounty market inefficient and pushes
55 BHs to look for other opportunities, such as gray and black markets.⁶

56 As a partial answer to this problem, mediation platforms have been created, in an effort
57 to obtain better terms for the BHs. For instance, HackerOne⁷ and Integriti⁸ support ethical
58 hackers in submitting their reports and collecting rewards. A second answer is to transform
59 a bug into an exploit, that is an attack leveraging it. This increases the bargaining power of
60 the BH toward the BI, and in fact some platforms exclusively focus on exploits.⁹

61 In this position paper, we present the design and the underlying ideas of VeriOSS, a
62 blockchain-based platform for bug bounties. Our goal is to increase the reward for BH, so to
63 foster more bug hunting and, consequently, decrease the appeal of grey and black markets.
64 To do that, VeriOSS drives both BI and BH through a bug disclosure protocol. The protocol
65 starts from the BI issuing a bug reward contract where a precise characterization of the
66 eligible bugs is provided together with the offered reward. When a BH claims the bounty,
67 she must provide enough information for the BI to check the eligibility without revealing
68 the details for reproducing the bug. If the BI accepts the transaction, a remote debugging
69 protocol is executed between the BI and the BH. At each step, BI computes a challenge that
70 BH can only solve by continuing the debug process and revealing part of the execution trace
71 reproducing the bug. In exchange, BI provides a commitment to pay a fraction of the total
72 reward through a smart contract. Eventually, BI and BH either complete the protocol or
73 interrupt it. In both cases, since BH and BI negotiate the partial rewards at each step, the
74 protocol ensures a fair trade between the revealed information and the reward.

75 The rest of the paper is organized as follows. The next section introduces some preliminary
76 notions. We present the design of VeriOSS and of its main components in Section 3. Section 4
77 discusses the economic incentives that drive the protocol execution. We discuss the threat
78 model, some limitations and future extensions in Section 5. Finally, Section 6 compares our
79 proposal with the literature, and Section 7 draws some conclusions.

³ <https://juliareda.eu/fossa>

⁴ <http://heartbleed.com>

⁵ <https://sites.google.com/site/bughunteruniversity/behind-the-scenes/charts/2016>

⁶ The activities occurring on gray and black markets are hard to document. However, Hacking Team's recently hacked emails provide a glimpse on the workings of these markets. See <https://tsyrklevich.net/2015/07/22/hacking-team-0day-market/>.

⁷ <https://www.hackerone.com>

⁸ <https://www.intigriti.com>

⁹ For instance, Zerodium <https://zerodium.com> that offers up to 2,000,000\$ for a zero-day exploit.

2 Preliminary notions

2.1 Program semantics

A program s is a finite sequence of statements c_1, \dots, c_k . Statements can be of various types, e.g., assignments of values to variables or conditional branches. A computation is carried out through atomic steps. Each step has the effect of modifying the program state σ and to update the sequence of statements to be run. As usual in program semantics, the state is a finite mapping from variables (in the scope of the current statement) to values [18]. Thus, a *program configuration* is a pair $\langle \sigma, s \rangle$. A step is $\langle \sigma, s \rangle \rightarrow \langle \sigma', s' \rangle$ to denote that in the state σ the program s executes one of its statements, becomes s' and modifies the state in σ' . For brevity, we write $\langle \sigma, s \rangle \rightarrow^* \langle \sigma', s' \rangle$ as a shorthand for a finite sequence of steps $\langle \sigma, s \rangle \rightarrow \dots \rightarrow \langle \sigma', s' \rangle$. Moreover, when a computation terminates, i.e., the destination configuration contains an empty sequence of statements, we simply write the final state as $\langle \sigma, s \rangle \rightarrow^* \sigma'$. We refer to [18] for a general presentation on the formal semantics of programming languages.

2.2 Hoare logics

The goal of program verification is to prove that a program s complies with a given specification. The specification is often defined in terms of *preconditions* and *postconditions*. Intuitively, a precondition is a property P that is assumed to hold in the initial state (from which the computation of s starts) and a postcondition is a property Q that must be guaranteed to hold in the final state (assume-guarantee reasoning). In symbols, the problem is encoded as an *Hoare triple* $\{P\}s\{Q\}$. The triple is valid if $\forall \sigma, \sigma'. P(\sigma) \wedge \langle \sigma, s \rangle \rightarrow^* \sigma' \Rightarrow Q(\sigma')$. The proof system used for reasoning about the validity of Hoare triples is called *Hoare logics*. We write $\models \{P\}s\{Q\}$ when there exist a proof of validity.

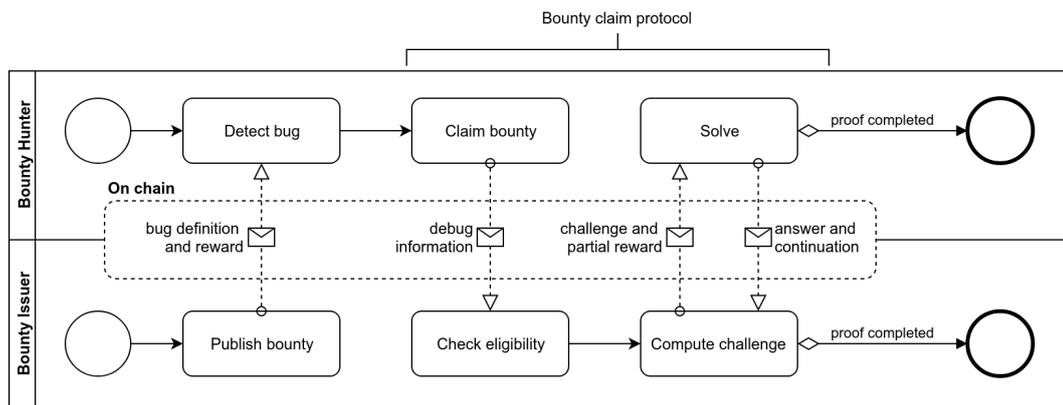
3 VeriOSS

In this section we introduce the main components of VeriOSS and how they interact. Briefly, VeriOSS has two goals: (i) support the honest BH in collecting a reward under the assumption of an untrusted BI; and (ii) protect BI against untrusted BHs claiming an undeserved reward. In particular, VeriOSS achieves these two goals by (i) requiring BI to provide a precise description of the eligible bugs; and (ii) driving the BH disclosure and rewarding process.

3.1 Workflow overview

The general workflow of VeriOSS is depicted in Figure 1. Initially, BI publishes a bounty on the blockchain. The bounty contains information about the type of bugs BI is interested in and the reward. When BH detects a bug that complies with the issued bounty, she can claim the reward. To do so, BH sends the initial debug information, e.g., the instruction where the bug was detected. This initial disclosure should allow BI to check the eligibility of the bug. If BI agree to continue, a disclosure loop starts. At each iteration, BI synthesizes a challenge for BH to test her knowledge of the bug trace at a specific step. If BH solves the challenge, she receives a partial reward (expressed as a fraction of the total one) and she provides information to continue the disclosure loop. Eventually, the protocol terminates when either the bug is entirely disclosed (proof completed) or one of the participants withdraws.

Below we discuss the components of VeriOSS and their requirements.



■ **Figure 1** BPMN representation of the workflow

```
float foo(unsigned char c) {
  int a = c+1;          //@ assert a != 0;
  float z = 255/a;      //@ assert z != 0;
  return 1.0/z;
}
```

■ **Figure 2** A fragment of C code potentially dividing by zero.

121 3.2 Bug specification

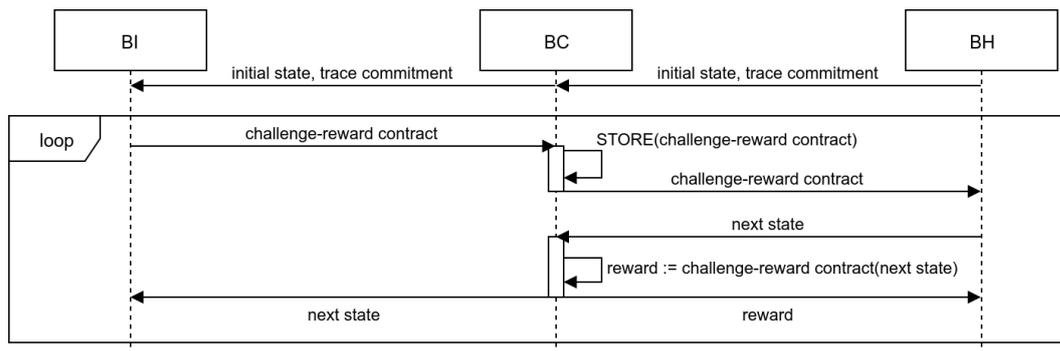
122 When publishing a bounty, BI has to provide a rigorous description of the bugs that are
 123 eligible for the reward. Such a description contractualizes the commitment of BI to pay for
 124 a compatible bug. Some classification techniques exist to define bugs and vulnerabilities.
 125 For instance, the Common Vulnerability Scoring System¹⁰ (CVSS) aims at describing a
 126 vulnerability and measuring its criticality. Also the Common Weaknesses Enumeration¹¹
 127 (CWE) specification language is used to identify different vulnerability types. Since these
 128 approaches focus on describing the severity of vulnerabilities and exploits, they are not
 129 suitable for bug bounty programs. In fact, often the BI aims at disclosing bugs even without
 130 knowing their possible impact and severity. Moreover, since they have no formal semantics,
 131 they can hardly support an automatic validation process.

132 A more promising direction is to consider specification languages for contract-driven
 133 development [14]. These languages are used to define the properties of a piece of code in terms
 134 of preconditions (what must be true before the execution) and postconditions (what must be
 135 true after the execution). Moreover, they are usually provided with a formal semantics as
 136 well as tools for the automatic reasoning. Intuitively, program specifications can be adapted
 137 to define the conditions under which a bug shows up. The bug conditions can be expressed
 138 as assertions that the program violates during a bugged execution. To clarify, let us consider
 139 an example based on the ANSI C Specification Language (ACSL), used by the Frama-C
 140 framework [12].

141 ► **Example 1.** Consider the C code of Figure 2. If we are interested in spotting out divisions
 142 by 0, there are two candidate instructions, i.e., the assignment to `z` and the `return` statement.

¹⁰<https://www.first.org/cvss/specification-document>

¹¹https://cwe.mitre.org/cwss/cwss_v1.0.1.html



■ **Figure 3** The P2K protocol message sequence diagram.

143 In terms of properties to be satisfied, the preconditions for the two statements are $a \neq 0$ and
 144 $z \neq 0$, respectively. In ASCL the corresponding assertions are placed right before the target
 145 instructions as in Figure 2. Here, the bug is exposed (only) when $c = 255$. As a matter of fact,
 146 due to the integer division $255/256$, 0 is assigned to z , so violating the second assertion.

147 3.3 Challenge-response interaction

148 By definition, the bounty claim protocol is a Proof of Knowledge (PoK) protocol, also called
 149 Σ -protocol (see [10] for further details). A PoK consists of a prover and a verifier interacting
 150 through a challenge-response process.

151 However, our working conditions are slightly different. The reason is that both parties
 152 need to prove something: BH must prove she knows the bug and BI must prove she is willing
 153 to pay the reward. This is an instance of a *two-party fair exchange* protocol [15] that we call
 154 *Pay-per-Knowledge* (P2K).

155 The main difference between a standard PoK is that the two parties play both roles, i.e.,
 156 prover and verifier. Their individual goal is to acquire the other's knowledge/reward. Also,
 157 the global goal of the protocol is that the two parties only achieve their individual goals
 158 *together*. Notice that “together” does not mean simultaneously. For instance, a party could
 159 receive the other's knowledge while providing an *effective commitment* to release her own
 160 knowledge (e.g., within a certain time).

161 Intuitively, a way to implement P2K is to rely on a trusted third party (TTP) that
 162 mediate and drive the interaction between the two participants. However, having a TTP is a
 163 restrictive assumptions. Smart contracts can support the same kind of operation. Indeed,
 164 a smart contract can carry out a certain task when a certain condition is satisfied, e.g.,
 165 someone knows the answer to a challenge. We discuss this aspect in Section 3.6.

166 Figure 3 shows the P2K message flow of the bounty claim protocol. The bug disclosure is
 167 based on a remote debugging process (see Section 3.4) replicating the execution of a buggy
 168 program trace. The protocol starts with BH claiming the bounty by describing the bug
 169 without disclosing it. For instance, the bug description can consist of a buggy state reached
 170 by the program at the end of the execution trace. This initial disclosure allows the BI to
 171 check the eligibility and severity of the bug, without being able to replicate it nor verify its
 172 actual existence. Contextually, the BH commits the debug trace. The commitment amounts
 173 to the hash values of the program states appearing in the trace. The trace commitment
 174 ensures that a dishonest BH can neither craft a trace not diverge from the nominal protocol
 175 execution (see Section 3.3).

176 The challenge-response loop proceeds as follows. BI stores a *challenge-reward* smart
 177 contract on the blockchain. Briefly, the smart contract consists of a payment, i.e., a partial
 178 reward, activated when a certain input is provided. The contract input is the answer to
 179 the challenge computed by BI. In particular, the challenge is solved by a program state
 180 from which the buggy state is reachable (in a certain number of steps). BH checks the
 181 challenge and the amount. If she agrees with the partial reward, she submits the program
 182 state. If this program state correctly solves the challenge, and at the same time is consistent
 183 with the obfuscated trace, then the BH can collect the reward. Since the blockchain is
 184 public, BI retrieves the submitted state. The loop is repeated by replacing the buggy state
 185 with the next state provided by BH. Eventually, the loop terminates when BH provides an
 186 initial state of the program or one of the parties retires from the protocol. We describe
 187 the challenge generation procedure and the smart contract implementation in Sections 3.5
 188 and 3.6, respectively.

189 3.4 Remote debugging

190 The challenge-response protocol described above implements a *remote debugging* process.
 191 Remote debugging occurs when the target program runs on a different location, e.g., a remote
 192 host. Under our assumptions, BH executes the target program¹² and BI debugs it.

193 Remote debugging is common and many debug tools support it. However, there is a
 194 crucial difference with the (standard, forward) remote debugging process: our debugging
 195 procedure proceeds backward. As a matter of fact, the debugging starts from a (buggy) final
 196 state and proceeds toward an initial state (*reverse debugging*).

197 In principle, reverse debugging does not prevent the early disclosure of the execution
 198 trace. In fact, in many cases the state of a program is deterministically determined by its
 199 predecessors. Hence, BI might infer the predecessor state without interacting with BH.

200 ► **Example 2.** Consider again the code of Example 1 and the final state reached when c
 201 = 255. Such a state is $\sigma = [z \leftarrow 0, a \leftarrow 256, c \leftarrow 255]$. Trivially, since $\sigma(c)$ is defined, the
 202 actual parameter of `foo`, i.e., the initial state, is exposed.

203 To address this issue BH only partially reveals the debug state: she only discloses the
 204 variables that are necessary to the current statement, i.e., those occurring in the expressions
 205 to be computed.

206 ► **Example 3.** We simulate a reverse debug session starting from σ as in Example 2. The
 207 state σ refers to the statement `return 1.0/z` (where only the variable z appears). Thus,
 208 BH sends to BI the state $\sigma_z = [z \leftarrow 0]$. In this way, BI effectively verifies that the division
 209 by 0 occurs. Still, she cannot easily infer the values of a (that determines the value of z). As
 210 a matter of fact, any state where a is larger than 255 is a candidate predecessor. Assuming
 211 that each iteration correspond to a single debug step, the next state revealed by BH is
 212 $\sigma_a = [a \leftarrow 256]$. The debug step succeeds when BI verifies that the execution of the current
 213 statement on state σ_a results in state σ_z .

214 3.5 Challenge generation

215 As stated above, the challenge is a boolean condition that drives a decision procedure encoded
 216 as a smart contract. In particular, given a program state σ , the challenge must precisely

¹²In principle, BH might even reply a recorded execution trace without executing the program. This is also called *Post-mortem* debugging.

217 characterize a state σ' being a valid predecessor of σ in the debug procedure. Moreover, to
 218 solve the challenge, both σ and σ' must belong to the execution trace initially committed by
 219 BH (see Section 3.3).

220 A prominent technique for this task is *backward symbolic execution* [16, 2]. Backward
 221 symbolic execution is used to obtain valid preconditions for the execution of a statement
 222 starting from its postconditions. This is typically achieved by means of a *weakest precondition*
 223 calculus [3]. Briefly, given a program s and a postcondition Q , a weakest precondition is the
 224 most general predicate P such that $\models \{P\}s\{Q\}$.

225 ► **Example 4.** Consider again the ASCL code of Example 1. The predicate $z \neq 0$ is
 226 a postcondition for the statement `float z = 255/a`. The weakest precondition for the
 227 statement is a predicate P such that $P \Rightarrow z \neq 0$. Since $z = 255/a$ this becomes $P \Rightarrow$
 228 $255/a \neq 0$. Moreover, due to the semantics of the integer division operator in C this is
 229 equivalent to $P \Rightarrow a \leq 255$. Clearly, the most general (weakest) predicate P that satisfies
 230 the implication is $a \leq 255$.

231 To generate a challenge, BI can follow the strategy below. First, BI converts the current
 232 debug state to a predicate Q defined as $\bigwedge_{x \in Dom(\sigma)} x = \sigma(x)$. The predicate Q is the
 233 precondition to the current debug statement. Also, Q is the postcondition of all the previous
 234 statements, i.e., those to be debugged to reach the initial state of the execution. Hence,
 235 BI selects a number n of backward steps. From the code, BI extracts all the sequences of
 236 statements of length n that can precede the current statement. Via backward symbolic
 237 execution on the selected statements, BI computes the weakest preconditions for Q . The
 238 resulting predicate is the challenge for BH that she answers by providing the actual state
 239 that satisfies the precondition.

240 ► **Example 5.** Consider the debug session given in Example 3. The final state σ_z results
 241 in the predicate $z = 0$. Assuming $n = 1$, the challenge for BH is $a > 255$ (trivially from
 242 Example 4). Then, BH successfully answers by providing σ_a .

243 It is evident from the example above that the choice of n is critical. In general, the size
 244 of a predicate computed through backward symbolic execution can grow exponentially with
 245 n [8]. Intuitively, the exponential blow-up is caused by the conditional statements.

246 In software verification, large predicates pose serious limitations. Indeed, *satisfiability*
 247 *modulo theories* (SMT) [6] is used to verify whether a certain predicate admits a model, i.e.,
 248 an assignment of values that satisfy the predicate. The SMT problem is computationally
 249 hard, but its complexity varies with the underlying theory. In our context, bit-vectors are
 250 the most common theory. The SMT problem for bit-vectors is known to be (in the best case)
 251 NP-complete [13]. Nevertheless, this is not a limitation in our context as BH already knows
 252 a solution to the challenge, that is the program state that she has committed.

253 3.6 Smart contracts and blockchain

254 In this section we describe the structure of the smart contracts used by VeriOSS. There
 255 are two smart contracts, i.e., the bounty issuing contract and the partial reward contract.
 256 The first one is straightforward. Its role is to describe the bug and the offered reward. The
 257 second contract requires more attention. As a matter of fact, it is responsible for the partial
 258 rewarding defined in Section 3.3.

259 Figure 4 shows an example *Solidity* [5] contract for the challenge of Example 5, i.e.,
 260 $a > 255$. The contract handles three pieces of information (lines 2-4), i.e., the address of the
 261 bounty hunter, the amount of the reward and an expiration time. The main function of the

```

1  contract PartialReward {
2    address public hunter = /* ... */;
3    uint    public reward = /* ... */;
4    uint    public expire = /* ... */;
5
6    function challenge(bytes4[] state) public {
7      if(decommit(state) && solve(state))
8        hunter.transfer(reward);
9    }
10   function solve(bytes4[] state) private returns (bool) {
11     if(state[0] <= 255) /* a ≤ 255 */ return false;
12     return true;
13   }
14   function decommit(bytes4[] state) private returns (bool)
15   { /* check state hash */ }
16   function timeout() public { require(now >= expire);
17     selfdestruct(this); }
18 }

```

■ **Figure 4** An instance of the partial reward smart contract.

262 contract is `challenge` (line 6). The hunter invokes the function by providing the program
263 state as a list of bytes. Then, the contract invokes two functions, i.e., `decommit` and `solve`
264 (line 7). The former (line 14) decommits the input state (i.e., it checks its hash code against
265 the list initially provided by the BH). The latter verifies that the provided state is a valid
266 solution to the challenge. If both the checks succeed, the contract transfers the reward to
267 the hunter. The function `solve` (line 10) encodes the challenge. It consists of a sequence of
268 conditional statements. Each statement checks whether a single clause of the challenge is
269 violated. In that case, `solve` returns `false`. When all the checks are passed, the function
270 returns `true`. Finally, the contract has a `timeout` function (line 16) to void it when the
271 deadline expires.

272 Few aspects of the contract of Figure 4 need a further discussion. In the first place,
273 the structure of function `solve`. Clearly, it is the most expensive function in terms of
274 computation and, since on chain computation is not for free [19], efficiency might be an issue.
275 As highlighted in Section 3.3, checking the solution to a challenge is linear in the number
276 of constraints. However, this number grows exponentially with n . Thus, a proper trade-off
277 must be considered.

278 4 Incentives

279 From the economic viewpoint, VeriOSS aims at allowing a profitable trading between a seller
280 (BH) and a buyer (BI) of information (the bug). The protocol of Section 3 can accomplish
281 this goal, but BH and BI may refuse to run it. The main reason is *hold-up* [1], i.e., the
282 buyer can refuse to pay after she learned the information. This could prevent potentially
283 profitable exchanges due to stall between the seller (who wants to be paid before disclosing
284 the information) and the buyer (who wants to evaluate the information before paying it).

285 VeriOSS overcomes this issue by delegating the verification of the information and the
286 payment of the reward to a smart contract. By itself, however, this is not sufficient to give
287 BI and BH the correct economic incentives to follow the protocol of Section 3. Below we list
288 the incentives problem faced by BI and BH at every step of the protocol, and how VeriOSS
289 addresses them.

- 290 1. Since BI puts forward the reward when publishing the initial bounty contract, the reward
291 offered by BI might be inadequate for BH. However, we expect a round of communication
292 between BI and BH to occur beforehand to ensure that BI and BH agree on the reward.
293 Also, due to the guarantees of the P2K protocol, BI and BH can negotiate under the
294 assumption that the counterpart is honest.
- 295 2. The cost of the off-chain computation of BI is not negligible. In particular, computing
296 the weakest preconditions may be computationally hard. For this reason, it is crucial
297 that the information initially disclosed by BH provides a proper incentive to set up the
298 challenges. For instance, BH might need to initially reveal some extra details about the
299 debug trace. What is the right amount of information is an open research question, e.g.,
300 see [11].
- 301 3. A malicious BI could intentionally craft an incorrect challenge. The main motivation
302 here is inferring as much information as possible from BH's answer. For example, BI
303 might submit an unsatisfiable challenge to make the protocol fail even if the provided
304 answer is correct. In this way, BI may collect the next state without paying the partial
305 reward. However, BH can also compute the weakest preconditions and detect an incorrect
306 challenge. In such a case, she can retire from the protocol with no loss.
- 307 4. Even if BH has always answered correctly, BI could decide to interrupt the protocol before
308 the end. For instance, BI may believe that the information still to be released by BH is
309 worth than the remaining reward. This boils down to correctly establishing the partial
310 rewards, so to adequately compensate BH while encouraging BI to continue. As long as
311 they correctly price each iteration, BI is not motivated to interrupt the protocol.¹³
- 312 5. BH may attempt to renegotiate the reward after BI computes a challenge, i.e., BH can
313 hold up BI. Indeed, since it is costly, BI may accept to pay an higher partial reward to
314 avoid recomputing the challenge. Note, however, that the total reward is established at
315 the beginning of the protocol. Hence, an honest BH would not obtain an higher total
316 payment. Since it reveals that BH is malicious, no BH (malicious or honest) is motivated
317 to renegotiate.

318 Finally, note that the above analysis assumes the presence of a single BH and a single BI.
319 This is not the case in general. The presence of other BIs and BHs may affect the incentives
320 faced by the protocol's participants, and hence the performance of the protocol. We discuss
321 this issue in the next section.

322 **5 Discussion**

323 In this section we provide a detailed discussion on some aspects that may affect the imple-
324 mentation of VeriOSS, some open issues and future developments.

325 **5.1 Implementation details**

326 The implementation will need to address issues about some aspects we left abstract in the
327 previous sections. A first issue concerns how to represent the commitment trace of BH.
328 Intuitively, this trace can be obtained by computing the hashes of each state in the original
329 debug trace. However, this may be impractical because of the length of the debug trace.
330 Thus, we need an implementation that compresses these traces without compromising the
331 validity of the protocol.

¹³This issue can also be more directly addressed by using an escrow (see Section 5.2).

332 Another issue is about the number n of iterations of the challenge-response protocol.
333 This choice is quite critical: different choices of n may lead to different cost in term of
334 (i) cryptocurrency paid by the parties and (ii) efficiency of the protocol. Finding a good
335 trade-off is left as future work.

336 5.2 Threat model

337 The design of VeriOSS is based on a threat model where both BI and BH do not trust
338 each other and both may be malicious. On the one hand, a malicious BI aims at collecting
339 information about a bug without paying the corresponding reward. Our protocol opposes
340 this behavior and forces BI to behave honestly by (i) requiring a precise specification of the
341 eligible bugs (Section 3), (ii) increasing the bargaining power of the BH, (iii) providing the
342 partial reward mechanism in which a small portions of the bounty is paid in each iteration
343 for each piece of revealed information (Section 3.3).

344 On the other hand, a malicious BH aims at obtaining an undue reward. For instance, BH
345 might submit a partial or a false bug trace during the remote debug protocol. Also, a malicious
346 BH could attempt a *reply attack* by re-submitting an old, already paid trace. VeriOSS protects
347 honest BIs against malicious BHs by (i) establishing a commitment phase (Section 3.3), (ii)
348 providing a challenges-response protocol. In particular, the trace commitment ensures that
349 past traces are automatically detected, e.g., because they terminate with the very same state
350 of a previously executed trace. Instead, the challenge-response protocol ensures that each
351 step of the trace is correct.

352 In addition, the protocol can be easily extended by introducing a second smart contract
353 acting as an escrow that collects all the partial rewards and then forwards them to the BH
354 only if the bug is entirely disclosed. In this way, a malicious BH cannot obtain any partial
355 reward and, at the same time, a malicious BI cannot gain by strategically interrupting the
356 protocol. As future work, we plan to further study the robustness of our mechanisms against
357 this attacker model.

358 5.3 Future extension

359 Here, we outline some future directions for the development of VeriOSS.

360 The current design of VeriOSS allows a single BH and a single BI to efficiently exchange
361 the bug trace against a reward. However, this is just an intermediate goal, because the bug
362 bounty market consists of several actors. Currently, our bug disclosure process is exclusive
363 between one BI and one BH. Instead, “open” sessions might allow other parties to interact,
364 e.g., by offering a better reward.

365 The blockchain used by VeriOSS allows parties that do not know or trust each other to
366 interact. Sometimes this is not desirable, e.g., when knowing the identity of the BI necessary
367 to discriminate between legitimate companies and malicious actors. As a mitigating, we
368 could allow the BI creating the smart contract to “sign” it using its private keys, therefore
369 allowing everybody to verify that a given challenge was indeed created by a reputable BI.
370 This, of course, would not prevent malicious actors from creating their own smart contracts
371 using VeriOSS, but it would make public that a given (supposedly malicious) actor posted a
372 challenge and obtained information regarding a bug. Discriminating between legitimate and
373 malicious BIs is a future work.

374 Also, many different firms may benefit from discovering and fixing bugs in FOSS. This
375 gives rise to what is known as “free rider” problem. The maximum payment a BH can receive
376 depends on the willingness to pay for the bug report of the firm valuing it the most. Such

377 a payment can be significantly lower than the overall benefit of finding the bug. VeriOSS
378 can include a mechanism to aggregate rewards from several BIs. For instance, this can be
379 achieved by introducing *reward rise contracts* that BIs can use to offer a further incentive
380 toward the disclosure of a certain bug. Again, this is future work.

381 Finally, the presence of other actors is also relevant for the issue of “responsible disclosure”.
382 In most bug bounty programs, all parties are contractually forbidden from publicly disclosing
383 the bug for a period of time. Such a time span may be legally imposed and it is intended to
384 give the BI enough time to fix the bug. In VeriOSS, instead, the bug is immediately public,
385 which implies that a malicious actor could exploit it before the BI manages to implement a
386 remediation. This is also a direction where we plan to improve the protocol.

387 5.4 Limitations

388 Here, we briefly discuss some limitations of our proposal. In the design of VeriOSS we assume
389 that BH has a copy of the software to test. This is not a problem for mobile apps, or desktop
390 software that the BH can download from the network and run on her machines. However,
391 when the target software is a web application or web service our remote debugging protocol
392 cannot be applied as is. Indeed, in those situations the BH can mainly interact with the
393 software by providing inputs and receiving outputs (a.k.a. black box testing). Hence, BH
394 does not have access to the full program state, which is partially stored on a remote server.

395 Another limitation is the assumption that a bounty is only issued for a bug, i.e., a faulty
396 state of the target program. Often, a BI only offers a reward for a bug that actually impacts
397 on the security of the software. Said differently, a BI might ask for an exploit exposing
398 her software to concrete attacks, e.g., data breaches. Thus, the offered reward depends on
399 the value of the assets that an attacker can steal or compromise. At the moment VeriOSS
400 does not support this kind of bounty programs. Furthermore, although formal specification
401 languages can precisely characterize a failure condition, one could argue that some types
402 of bugs cannot be expressed (easily or even at all). For instance, think about the remote
403 code execution caused by a ROP chain [17]. For these reasons, we plan to introduce multiple
404 languages for the specification of bugs and exploits. The main requirement for the bug
405 definition languages is that they must provide a sound eligibility check (so that BI cannot
406 repudiate an eligible bug) and support the challenge-response process.

407 6 Related work

408 VeriOSS is made of different components each based on a specific technology. Here, we follow
409 the line of Section 3 and compare each component of VeriOSS with similar proposals.

410 6.1 Remote attestation

411 Remote attestation [4] allows a remote host (*the challenger*) to authenticate the hardware and
412 software configuration of another remote host (*the attestator*) which is charge of performing
413 some computation. The attestator is equipped with a suitable *Trusted Platform Module*
414 (TPM) chip, which she uses to attest the states of its software components to the challenger.
415 Typically, this verification is based on digital signatures, i.e., the challenger only verifies that
416 the signatures sent by the attestator are as expected. This basic attestation mechanism can
417 be used as a building block to check other security properties. For example, [9] proposes the
418 implementation of a trusted virtual machine that not only allows running a program but

419 also attesting to a remote entity that the running program satisfies a given set of security
420 properties at run time.

421 At a first sight, one may think that the challenge-response interaction protocol of
422 Section 3.3 may be implemented using remote attestation. However, this is not the case
423 because mainly remote attestation only allows BI to avoid a malicious BH, but not vice versa.
424 Furthermore, remote attestation requires that BH is equipped with a specific hardware, i.e.,
425 TPM chip, that increase the cost of entering the market. Our protocol, instead, provides a
426 mechanism to protect both participants and does not require any specific hardware.

427 6.2 Remote debugging

428 Modern development environment allows debugging applications remotely. This is very useful
429 when the development system is different than the production one. The underlying idea
430 is that the debugger is installed on the production server and that it provides a network
431 channel for interacting with the debugged program. The programmer uses a client that
432 completely abstract the interactions through the network. In this way, debugging a program
433 remotely is almost the same as doing it locally. In particular, this means that the client can
434 stepwise run the program and can inspect its memory.

435 There are at least two crucial differences between a standard remote debugging and the
436 approach described in Section 3.4. The first is that in standard remote debugging there is
437 only an agent interacting with the program that is the client (the server only makes available
438 the state of the program to the client); then, the client and the server trust each other, or
439 both are under the same administrative domain. Whereas in our setting, BI and BH are two
440 different agents in the system that does not trust each other.

441 The second important difference is that the standard remote debugging proceeds forwards
442 and the client can access the entire state of the execution. In our approach, instead, the
443 debugging proceeds backward and the BI can access only a specific part of the state of the
444 execution.

445 6.3 Information flow

446 Information flow control (IFC) is a mandatory access control mechanism that enforces some
447 restrictions on a piece of data and on all data derived from it. It was introduced in [7] as
448 mechanism to enforce *non-interference* across security levels. IFC is continuously enforced
449 at every information exchange. The underlying idea is that each piece of information is
450 associated with a policy (tags working as metadata) describing its level of secrecy and
451 integrity. Moreover, also entities of a system are associated with a security level, describing
452 the sensitivity of the data they are allowed to handle. The mechanism guarantees that
453 entities with a lower security clearance cannot read/write up to information with higher
454 security level. Symmetrically, it also ensures that entities with higher security clearance
455 cannot write down by making a disclosure of information.

456 During our remote debugging process the BH should not reveal too much information
457 about the execution state, so that a malicious BI cannot reconstruct all the execution state.
458 To do that, our protocol prescribes that BH shares only a part of the state. To determine
459 which part of the state to be disclosed, the BH should follows an approach based on IFC.

460 6.4 Secure multi-party computation

461 A multi-party computation occurs when two or more entities join together to compute a
462 certain function f . More precisely, consider n parties P_1, \dots, P_n , each with its own input x_i ,

463 which want to compute $f(x_1, \dots, x_n)$. A *secure multi-party computation* [10] is a multi-party
464 computation where each participant P_i aims to preserve the privacy of its input x_i .

465 Our challenge-response protocol fits this setting where the function f to compute consists
466 in the challenge verification process. Indeed, the BI provides as input a pair q made of the
467 challenge and of the commitment contract; whereas the BH provides the corresponding state
468 σ . The function f then perform the relevant checks and return a pair q' containing the
469 reward for BH and the computation state for the BI. However, differently from the case of
470 the secure multi-party computation, the input of BH is private, whereas the one of BI is
471 public (and indeed published on a blockchain).

472 6.5 Information sharing

473 The inefficiencies of bug bounty programs are common to all markets for information and
474 have been known at least since [1]. Several authors have studied mechanisms to resolve these
475 inefficiencies. The most closely related work is [11], which proposes a protocol in which the
476 seller of information sustains several tests. Every time a test is successfully completed, the
477 buyer sends the seller a partial payment. In their baseline model, the tests are such that if
478 the seller really has the piece of information, then she passes the test. If she does not, then
479 she can complete the test with probability $p < 1$, where lower values of p correspond to more
480 stringent (and hence more informative) tests. In the first round of the protocol, the seller
481 reveals some information by sustaining a test for free. After observing the result of the test,
482 the buyer updates his belief regarding whether the seller has the piece of information, and
483 with it the expected benefit of learning it. The buyer then sends a payment to the seller who
484 sustains another test, and so on. The information is thus revealed in stage (by sustaining
485 each test) and to each revelation stage corresponds a partial payment.

486 Crucially, [11] assumes a total lack of commitment: the buyer is free to withhold the
487 payment to the seller, even after the seller passes the test. In the equilibrium with information
488 revelation the prospect of learning additional information motivates the buyer to follow the
489 protocol. But many other equilibria exist, including some in which no information is ever
490 revealed.

491 The part of VeriOSS that is most closely related to [11] is the initial exchange of
492 information, in which the BH reveals the initial state. The reason is that, at this stage, the
493 BI is under no obligation to set up the smart contract and start the protocol. This lack of
494 commitment implies that the intuition in [11] applies here as well. However, once the smart
495 contract is set up and the iteration of challenge/response begins, [11] ceases to be relevant.
496 The reason is that the BI can commit to pay the BH if and only if the BH has the correct
497 piece of information. The fact that information is revealed in stages (with corresponding
498 partial payments) is done exclusively for practical reasons. As already discussed, the protocol
499 could run with a single test and a single answer revealing the entire trace, but crafting such
500 test is computationally very expensive. For this reason the information generation protocol
501 is split in different stages.

502 7 Conclusion

503 In this paper we presented VeriOSS, a novel paradigm for the construction of bug bounty
504 programs. VeriOSS-based programs provide concrete guarantees that a bounty hunter
505 will receive her rewards without trusting the bounty issuer. Together with other relevant
506 properties natively supported by the blockchain, we expect this to favor the flourishing of
507 the bug bounty market.

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