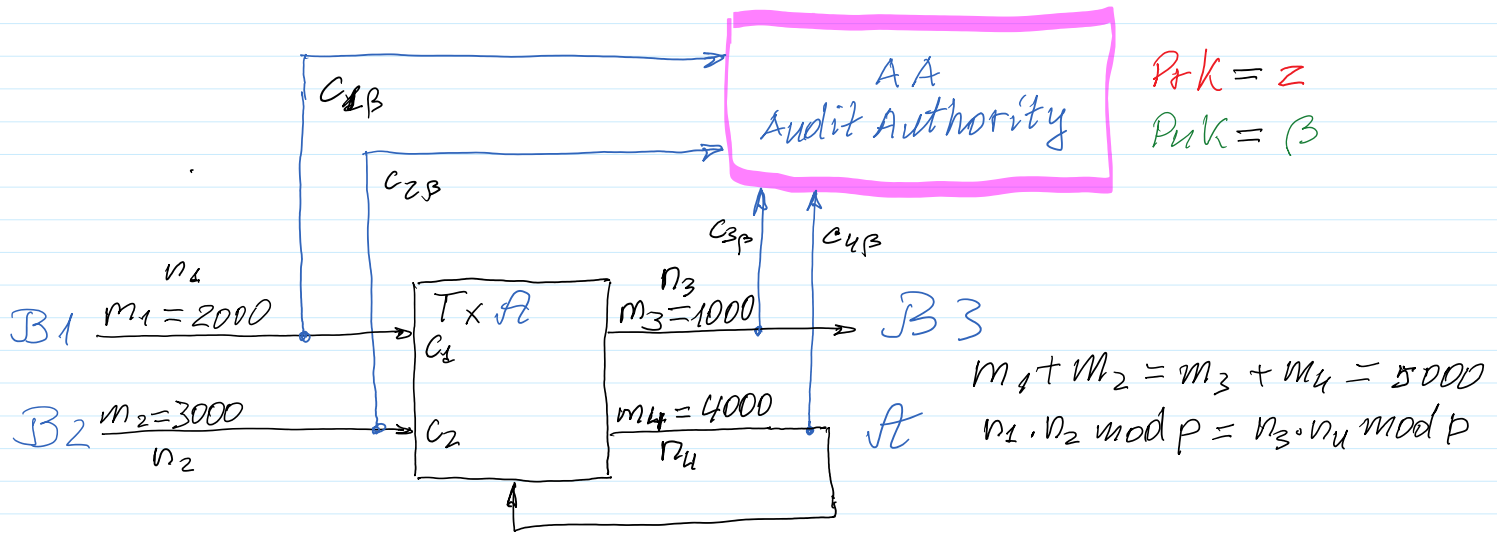


New approach



1. Taxes declaration to AA.
2. To prove to the Net, that transaction is honest.

$$\begin{aligned}
 B_1: & \text{Enc}_\beta(l_1, n_1) = C_{1\beta} = (E_{1\beta}, D_{1\beta}) \\
 B_2: & \text{Enc}_\beta(l_2, n_2) = C_{2\beta} = (E_{2\beta}, D_{2\beta})
 \end{aligned}
 \left. \vphantom{\begin{aligned} B_1: \\ B_2: \end{aligned}} \right\} \begin{aligned}
 & \text{Enc}_\alpha(r_1, n_1) = C_1 = (E_1, D_1) \\
 & \text{Enc}_\alpha(r_2, n_2) = C_2 = (E_2, D_2)
 \end{aligned}$$

$$\begin{aligned}
 \text{Dec}_z(C_{1\beta}) = n_1 & \rightarrow \text{computes } m_1 & \text{Dec}_x(C_1) = n_1 & \rightarrow \text{computes } m_1 \\
 \text{Dec}_z(C_{2\beta}) = n_2 & \rightarrow \text{computes } m_2 & \text{Dec}_x(C_2) = n_2 & \rightarrow \text{computes } m_2
 \end{aligned}$$

$$\begin{aligned}
 A: & 1) C_{12} = C_1 \cdot C_2 \xrightarrow{\text{Net}} \\
 & 2) \text{encrypts } C_{3\beta} = \text{Enc}_\beta(r_3, n_3) = (E_{\beta 3}, D_{\beta 3}) \\
 & \text{encrypts } C_{4\beta} = \text{Enc}_\beta(r_4, n_4) = (E_{\beta 4}, D_{\beta 4}) \left. \vphantom{\text{encrypts}} \right\} C_{34\beta} = C_{3\beta} \cdot C_{4\beta} \xrightarrow{\text{Net}}
 \end{aligned}$$

C_{12} and $C_{34\beta}$ encrypted the same data: $n_{12} = n_1 \cdot n_2 \pmod p$
 $n_{34} = n_3 \cdot n_4 \pmod p$
 but with the different Puk, namely n_{12} with $\text{Puk}_A = \alpha$
 n_{34} with $\text{Puk}_{AA} = \beta$.

Therefore $c_{12} \neq c_{34\beta}$

It must prove that ciphertexts c_{12} and $c_{34\beta}$ encrypted the same value $n_{\text{Bob}} = n_{12} = n_{34} \longrightarrow \text{Net}$.

Proof of two ciphertexts equivalency.

Schnorr Identification: Zero Knowledge Proof - ZKP $\text{PP} = (p, g)$.

Schnorr Id Scenario: Alice wants to prove Net that she knows her Private Key - $\text{PrK}_A = x$ which corresponds to her Public Key - $\text{PuK}_A = a = g^x \text{ mod } p$ not revealing $\text{PrK}_A = x$.

A: Prover $P(x, a)$

ZKP of knowledge $\text{PrK} = x$:

1. Computes commitment

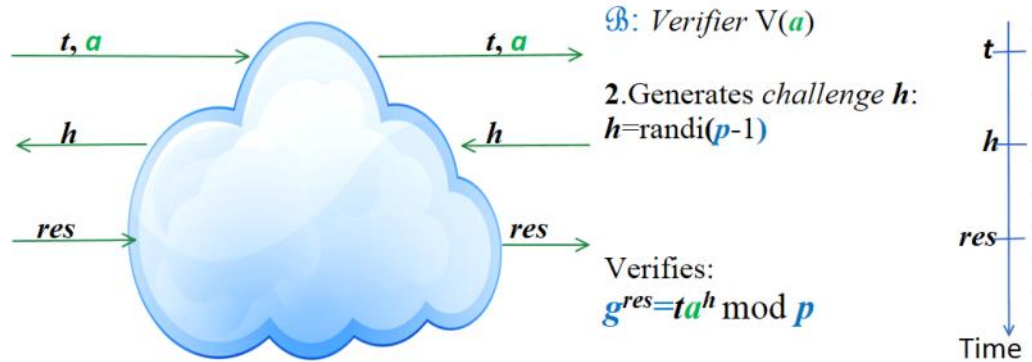
t for random number i :

$$i = \text{randi}(p-1)$$

$$t = g^i \text{ mod } p$$

3. Computes response res :

$$res = i + xh \text{ mod } (p-1)$$



Non-Interactive Zero Knowledge Proof - NIZKP $\text{PP} = (p, g)$.

NIZKP Scenario: Alice wants to prove Net that she knows her Private Key - $\text{PrK}_A = x$ which corresponds to her Public Key - $\text{PuK}_A = a = g^x \text{ mod } p$ not revealing $\text{PrK}_A = x$ and using non-interactive protocol.

Alice chooses at random u , $1 < u < p-1$ and computes number r :

$$r = g^u \text{ mod } p. \quad (2.19)$$

Alice computes H-function value h of the number r :

$$h = H(r), \quad (2.20)$$

Alice computes value s :

$$s = u + xh \text{ mod } (p-1). \quad (2.21)$$

Alice declares the values $\pi = (r, s)$ to the Net.

Net according to (2.20) computes h and verifies if:

$$g^s \text{ mod } p = r a^h \text{ mod } p. \quad (2.22)$$

V1

V2

Symbolically this verification function we denote by

$$\text{Ver}(a, \pi, h) = V \in \{\text{True}, \text{False}\} = \{1, 0\}. \quad (2.23)$$

This function yields *True* if (2.22) is valid and if: $\text{PuK}_A = a = F(\text{PrK}_A) = g^x \bmod p$.

Correctness:

$$g^s \bmod p = g^{u+xh \bmod (p-1)} \bmod p = g^u g^{xh} \bmod p = r(g^x)^h \bmod p = ra^h \bmod p.$$