

Slashing Incident involving RockLogic GmbH Validators - April 13, 2023

Request for reimbursement of the 11 slashed validators by the cover fund for reimbursement

INCIDENT

On April 13, 2023 DAO contributors identified 11 slashings related to validators operators by RockLogic GmbH as a part of the Lido protocol and notified the relevant node operator to shut down the impact node(s) and investigate the cause.

ROOT CAUSE

The root cause was double votes of validators imported on 2 different nodes. This duplication was due to an image version update followed by a reboot of Consensus and Validator Client (Prysm) to apply the update (4.0.1 -> 4.0.2). This process caused some kind of re-import of the previously deleted keys. Destroying the node beforehand would have prevented this issue (for a more detailed report containing details how to reproduce the bug [click here](#)).

ANALYSIS RESULTS

Our analysis, in collaboration with LIDO and Prysm, revealed that the bug that caused the incident could potentially affect any staker using the Prysm client, even those who do not use our Stereum software. Identifying and disabling the bug as quickly as possible and making it reproducible for further in-depth analysis, was a joint effort of LIDO, Prysm, and RockLogic.

RESPONSIBILITY

As it is common understanding of this incident now, it could have been prevented if we, RockLogic GmbH, had immediately 'nuked' or destroyed the node in question, which we did not do (see why in our statement [here](#)). We accept this responsibility and are very sorry for the damage and inconvenience we have caused with it.

REIMBURSEMENT by the cover fund for reimbursement

Still, we think that this incident bears great opportunity to learn for the whole community and proves that LIDO's operator security mechanisms and experience do apply if needed. One of these mechanisms is the cover fund for reimbursement that was set up to mitigate these kinds of risks and unfortunate incidents.

We therefore apply that it be used in this case to reimburse the 11 validators affected.

Thank you for your support and understanding in this matter.

If you have any further questions concerning this incident please feel free to contact us at any time.

Stefan Kobrc

RockLogic GmbH