// Security Assessment

07.29.2024 - 08.01.2024

Blueprint: Spokes Contracts

Blueprint Finance

HALBORN

Blueprint: Spokes Contracts - Blueprint Finance

Prepared by: HALBORN

Last Updated Unknown date

Date of Engagement: July 29th, 2024 - August 1st, 2024

Summary

0% ⓘ OF ALL REPORTED FINDINGS HAVE BEEN ADDRESSED

ALL FINDINGS	CRITICAL	HIGH	MEDIUM	LOW	INFORMATIONAL
3	0	0	0	1	2

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1. Introduction

`Concrete` engaged Halborn to conduct a security assessment on their smart contract beginning on July 29th, 2024 and ending on August 01th, 2024. A security assessment on smart contracts was performed on the scoped smart contracts provided to the Halborn team.

2. Assessment Summary

The team at Halborn was provided one week for the engagement and assigned a full-time security engineer to verify the security of the smart contract. The security engineer is a blockchain and smart-contract security expert with advanced penetration testing, smart-contract hacking, and deep knowledge of multiple blockchain protocols.

The purpose of this assessment is to:

- Ensure that smart contract functions operate as intended.
- Identify potential security issues with the smart contracts.

In summary, Halborn identified some security risks that should be addressed by the `Concrete team`.

3. Test Approach And Methodology

Halborn performed a combination of manual and automated security testing to balance efficiency, timeliness, practicality, and accuracy in regard to the scope of this assessment. While manual testing is recommended to uncover flaws in logic, process, and implementation; automated testing techniques help enhance coverage of the code and can quickly identify items that do not follow the security best practices. The following phases and associated tools were used during the assessment:

- Research into architecture and purpose.
- Smart contract manual code review and walkthrough.
- Graphing out functionality and contract logic/connectivity/functions (solgraph).
- Manual assessment of use and safety for the critical Solidity variables and functions in scope to identify any arithmetic related vulnerability classes.
- Manual testing by custom scripts.
- Testnet deployment (Foundry).

3.1 Out-Of-Scope

- External libraries and financial-related attacks.

4. RISK METHODOLOGY

Every vulnerability and issue observed by Halborn is ranked based on **two sets** of **Metrics** and a **Severity Coefficient**. This system is inspired by the industry standard Common Vulnerability Scoring System.

The two **Metric sets** are: **Exploitability** and **Impact**. **Exploitability** captures the ease and technical means by which vulnerabilities can be exploited and **Impact** describes the consequences of a successful exploit.

The **Severity Coefficients** is designed to further refine the accuracy of the ranking with two factors: **Reversibility** and **Scope**. These capture the impact of the vulnerability on the environment as well as the number of users and smart contracts affected.

The final score is a value between 0-10 rounded up to 1 decimal place and 10 corresponding to the highest security risk. This provides an objective and accurate rating of the severity of security vulnerabilities in smart contracts.

The system is designed to assist in identifying and prioritizing vulnerabilities based on their level of risk to address the most critical issues in a timely manner.

4.1 EXPLOITABILITY

ATTACK ORIGIN (AO):

Captures whether the attack requires compromising a specific account.

ATTACK COST (AC):

Captures the cost of exploiting the vulnerability incurred by the attacker relative to sending a single transaction on the relevant blockchain. Includes but is not limited to financial and computational cost.

ATTACK COMPLEXITY (AX):

Describes the conditions beyond the attacker's control that must exist in order to exploit the vulnerability. Includes but is not limited to macro situation, available third-party liquidity and regulatory challenges.

METRICS:

EXPLOITABILITY METRIC (M_E)	METRIC VALUE	NUMERICAL VALUE
Attack Origin (AO)	Arbitrary (AO:A) Specific (AO:S)	1 0.2
Attack Cost (AC)	Low (AC:L) Medium (AC:M) High (AC:H)	1 0.67 0.33

EXPLOITABILITY METRIC (M_E)	METRIC VALUE	NUMERICAL VALUE
Attack Complexity (AX)	Low (AX:L) Medium (AX:M) High (AX:H)	1 0.67 0.33

Exploitability E is calculated using the following formula:

$$E = \prod m_e$$

4.2 IMPACT

CONFIDENTIALITY (C):

Measures the impact to the confidentiality of the information resources managed by the contract due to a successfully exploited vulnerability. Confidentiality refers to limiting access to authorized users only.

INTEGRITY (I):

Measures the impact to integrity of a successfully exploited vulnerability. Integrity refers to the trustworthiness and veracity of data stored and/or processed on-chain. Integrity impact directly affecting Deposit or Yield records is excluded.

AVAILABILITY (A):

Measures the impact to the availability of the impacted component resulting from a successfully exploited vulnerability. This metric refers to smart contract features and functionality, not state. Availability impact directly affecting Deposit or Yield is excluded.

DEPOSIT (D):

Measures the impact to the deposits made to the contract by either users or owners.

YIELD (Y):

Measures the impact to the yield generated by the contract for either users or owners.

METRICS:

IMPACT METRIC (M_I)	METRIC VALUE	NUMERICAL VALUE
Confidentiality (C)	None (C:N) Low (C:L) Medium (C:M) High (C:H) Critical (C:C)	0 0.25 0.5 0.75 1

IMPACT METRIC (M_I)	METRIC VALUE	NUMERICAL VALUE
Integrity (I)	None (I:N) Low (I:L) Medium (I:M) High (I:H) Critical (I:C)	0 0.25 0.5 0.75 1
Availability (A)	None (A:N) Low (A:L) Medium (A:M) High (A:H) Critical (A:C)	0 0.25 0.5 0.75 1
Deposit (D)	None (D:N) Low (D:L) Medium (D:M) High (D:H) Critical (D:C)	0 0.25 0.5 0.75 1
Yield (Y)	None (Y:N) Low (Y:L) Medium (Y:M) High (Y:H) Critical (Y:C)	0 0.25 0.5 0.75 1

Impact I is calculated using the following formula:

$$I = max(m_I) + \frac{\sum m_I - max(m_I)}{4}$$

4.3 SEVERITY COEFFICIENT

REVERSIBILITY (R):

Describes the share of the exploited vulnerability effects that can be reversed. For upgradeable contracts, assume the contract private key is available.

SCOPE (S):

Captures whether a vulnerability in one vulnerable contract impacts resources in other contracts.

METRICS:

SEVERITY COEFFICIENT (C)	COEFFICIENT VALUE	NUMERICAL VALUE
Reversibility (r)	None (R:N) Partial (R:P) Full (R:F)	1 0.5 0.25
Scope (s)	Changed (S:C) Unchanged (S:U)	1.25 1

Severity Coefficient C is obtained by the following product:

$$C = rs$$

The Vulnerability Severity Score S is obtained by:

$$S = min(10, EIC * 10)$$

The score is rounded up to 1 decimal places.

SEVERITY	SCORE VALUE RANGE
Critical	9 - 10
High	7 - 8.9
Medium	4.5 - 6.9
Low	2 - 4.4
Informational	0 - 1.9

5. SCOPE

REPOSITORY

(a) Repository: sc_hub-v1

(b) Assessed Commit ID: 94b955a

(c) Items in scope:

- src/storage/*
- src/utils/*
- src/accessControl/*
- src/constants/*
- src/errors/*
- src/blueprints/BlueprintResolver.sol

Out-of-Scope: New features/implementations after the remediation commit IDs.

6. ASSESSMENT SUMMARY & FINDINGS OVERVIEW

CRITICAL	HIGH	MEDIUM	LOW
0	0	0	1

INFORMATIONAL
2

SECURITY ANALYSIS	RISK LEVEL	REMEDIATION DATE
SINGLE STEP OWNERSHIP TRANSFER PROCESS	LOW	-
LACK OF EVENTS FOR STATE CHANGES	INFORMATIONAL	-

SECURITY ANALYSIS	RISK LEVEL	REMEDIATION DATE
OWNERSHIP ASSUMPTIONS	INFORMATIONAL	-

7. FINDINGS & TECH DETAILS

7.1 SINGLE STEP OWNERSHIP TRANSFER PROCESS

// LOW

Description

It was identified that the `ConcreteStorage` contract inherited from OpenZeppelin's `Ownable` library. Ownership of the contracts that are inherited from the `Ownable` module can be lost, as the ownership is transferred in a single-step process. The address that the ownership is changed to should be verified to be active or willing to act as the `owner`. `Ownable2Step` is safer than `Ownable` for smart contracts because the owner cannot accidentally transfer smart contract ownership to a mistyped address. Rather than directly transferring to the new owner, the transfer only completes when the new owner accepts ownership.

```
function transferOwnership(address newOwner) public virtual onlyOwner {
    require(newOwner != address(0), "Ownable: new owner is the zero address");
    _transferOwnership(newOwner);
}

function _transferOwnership(address newOwner) internal virtual {
    address oldOwner = _owner;
    _owner = newOwner;
    emit OwnershipTransferred(oldOwner, newOwner);
}
```

Proof of Concept

The following `Foundry` test was used in order to prove the aforementioned issue:

BVSS

AO:A/AC:L/AX:L/C:N/I:N/A:M/D:N/Y:N/R:P/S:U (2.5)

Recommendation

Consider using the `Ownable2Step` https://github.com/OpenZeppelin/openzeppelin-contracts/blob/master/contracts/access/Ownable2Step.sol library over the `Ownable` library.

7.2 LACK OF EVENTS FOR STATE CHANGES

// INFORMATIONAL

Description

Important state-changing functions such as `setAddress`, `setUint`, `setString`, etc., do not emit events. This can make it challenging to track changes and debug issues.

BVSS

AO:A/AC:L/AX:L/C:N/I:N/A:N/D:N/Y:N/R:N/S:U (0.0)

Recommendation

Consider emitting events in all state-changing functions.

```
event AddressSet(bytes32 indexed key, address value);
event UintSet(bytes32 indexed key, uint256 value);
event StringSet(bytes32 indexed key, string value);
// Emit these events in respective functions
```

7.3 OWNERSHIP ASSUMPTIONS

// INFORMATIONAL

Description

The contract uses `Ownable`, and assumes that the `multisig_` provided in the constructor will always be secure and correctly managed. If this address is compromised, the whole storage system can be at risk.

BVSS

AO:A/AC:L/AX:L/C:N/I:N/A:N/D:N/Y:N/R:N/S:U (0.0)

Recommendation

Consider the multisig address is always managed securely. Implement additional checks if necessary.

8. AUTOMATED TESTING

Halborn used automated testing techniques to enhance the coverage of certain areas of the scoped contracts. Among the tools used was Slither, a Solidity static analysis framework. After Halborn verified all the contracts in the repository and was able to compile them correctly into their ABI and binary formats, Slither was run on the all-scoped contracts. This tool can statically verify mathematical relationships between Solidity variables to detect invalid or inconsistent usage of the contracts' APIs across the entire code-base. The slither issues are considered false positives and well-known by the client added on the source code using `slither-disable-next-line` comment.

Halborn strongly recommends conducting a follow-up assessment of the project either within six months or immediately following any material changes to the codebase, whichever comes first. This approach is crucial for maintaining the project's integrity and addressing potential vulnerabilities introduced by code modifications.