

## Aurora - Staking Farm

NEAR Smart Contract Security
Audit

Prepared by: Halborn

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Visit: Halborn.com

DOCU	MENT REVISION HISTORY	5
CONT	ACTS	6
1	EXECUTIVE OVERVIEW	7
1.1	INTRODUCTION	8
1.2	AUDIT SUMMARY	8
1.3	TEST APPROACH & METHODOLOGY	8
	RISK METHODOLOGY	9
1.4	SCOPE	11
2	ASSESSMENT SUMMARY & FINDINGS OVERVIEW	12
3	FINDINGS & TECH DETAILS	13
3.1	(HAL-01) HAL01 - PUBLICLY CALLABLE FUNCTIONS LEADING TO OUT-C	DF- 15
	Description	15
	Code Location	15
	Proof of Concept	16
	Risk Level	16
	Recommendation	16
	Remediation Plan	17
3.2	(HAL-02) HAL02 - IMPROPER ROLE-BASED ACCESS CONTROL POLICY	' – 18
	Description	18
	Code Location	18
	Risk Level	18
	Recommendation	18
	Remediation Plan	19

3.3	(HAL-03) HAL03 - MULTIPLE STAKING ACTIONS CAN BE PERFORMED WHI	ILE 20
	Description	20
	Risk Level	20
	Recommendation	20
	Remediation Plan	20
3.4	(HAL-04) HAL04 - LACK OF VALIDATION OF BURN FRACTION - MEDIL 21	JM
	Description	21
	Code Location	21
	Proof of Concept:	22
	Risk Level	24
	Recommendation	24
	Remediation Plan	24
3.5	(HAL-05) HAL05 - VALUE CONVERSION TO SMALLER SIZES MAY RESULTS OVERFLOWS - LOW	JLT 25
	Description	25
	Code Location	25
	Risk Level	25
	Recommendation	25
	Remediation Plan	26
3.6	(HAL-06) HAL06 - DELEGATOR AND PREDECESSOR CAN BE THE SAME LOW	27
	Description	27
	Code Location	27
	Recommendation	27
	Remediation Plan	27

3.7	(HAL-07) HAL07 - USE OF VULNERABLE CRATES - LOW	28
	Description	28
3.8	Recommendation	28
	Remediation Plan	28
3.9	(HAL-08) HAL08 - DEPOSIT ATTACHED IS NOT ASSERTED - LOW	29
	Description	29
	Code Location	29
	Recommendation	29
3.10	(HAL-09) HAL09 - REDUNDANT ASSERTION - INFORMATIONAL	30
	Description	30
	Code Location	30
	Recommendation	30
	Remediation Plan	30
3.11	(HAL-10) HAL10 - ASSERTION SHOULD BE REPLACED BY A MACRO INFORMATIONAL	31
	Description	31
	Code Location	31
	Recommendation	31
	Remediation Plan	31
3.12	(HAL-11) HAL11 - DEFAULT IMPLEMENTATION SHOULD BE REPLACED BY MACRO - INFORMATIONAL	Y A 32
	Description	32
	Code Location	32
	Recommendation	32

	Remediation Plan	32
4	AUTOMATED TESTING	33
4.1	AUTOMATED ANALYSIS	34
	Description	34
	Results	34

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# EXECUTIVE OVERVIEW

#### 1.1 INTRODUCTION

Aurora engaged Halborn to conduct a security assessment on the staking farm NEAR smart contracts utilized by them, beginning on February 9th, 2022 and ending March 25th, 2022. Aurora provides Ethereum compatibility, NEAR Protocol scalability, and industry-first user experience through affordable transactions.

Though this security audit's outcome is satisfactory, only the most essential aspects were tested and verified to achieve objectives and deliverables set in the scope due to time and resource constraints. It is essential to note the use of the best practices for secure development.

#### 1.2 AUDIT SUMMARY

The team at Halborn was provided 6 weeks for the engagement and assigned two full-time security engineers to audit the security of the assets in scope. The engineers are blockchain and smart contract security experts with advanced penetration testing, smart-contract hacking, and deep knowledge of multiple blockchain protocols.

The purpose of this audit is to achieve the following:

• Identify potential security issues within the NEAR smart contracts.

In summary, Halborn identified few security risks that were mostly addressed by the Aurora team.

#### 1.3 TEST APPROACH & METHODOLOGY

Halborn performed a combination of manual view of the code and automated security testing to balance efficiency, timeliness, practicality, and accuracy in regard to the scope of the smart contract audit. While

manual testing is recommended to uncover flaws in logic, process, and implementation; automated testing techniques help enhance coverage of smart contracts and can quickly identify items that do not follow security best practices. The following phases and associated tools were used throughout the term of the audit:

- Research into architecture, purpose, and use of the platform.
- Manual code read and walkthrough.
- Manual Assessment of use and safety for the critical Rust variables and functions in scope to identify any arithmetic related vulnerability classes.
- Fuzz testing. (cargo fuzz, honggfuzz)
- Checking the unsafe code usage. (cargo-geiger)
- Scanning of Rust files for vulnerabilities.(cargo audit)
- Deployment to devnet through near-cli

#### RISK METHODOLOGY:

Vulnerabilities or issues observed by Halborn are ranked based on the risk assessment methodology by measuring the LIKELIHOOD of a security incident and the IMPACT should an incident occur. This framework works for communicating the characteristics and impacts of technology vulnerabilities. The quantitative model ensures repeatable and accurate measurement while enabling users to see the underlying vulnerability characteristics that were used to generate the Risk scores. For every vulnerability, a risk level will be calculated on a scale of 5 to 1 with 5 being the highest likelihood or impact.

#### RISK SCALE - LIKELIHOOD

- 5 Almost certain an incident will occur.
- 4 High probability of an incident occurring.
- 3 Potential of a security incident in the long term.
- 2 Low probability of an incident occurring.
- 1 Very unlikely issue will cause an incident.

#### RISK SCALE - IMPACT

- 5 May cause devastating and unrecoverable impact or loss.
- 4 May cause a significant level of impact or loss.
- 3 May cause a partial impact or loss to many.
- 2 May cause temporary impact or loss.
- 1 May cause minimal or un-noticeable impact.

The risk level is then calculated using a sum of these two values, creating a value of 10 to 1 with 10 being the highest level of security risk.

CRITICAL	HIGH	MEDIUM	LOW	INFORMATIONAL
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10 - CRITICAL

9 - 8 - HIGH

**7 - 6** - MEDIUM

**5 - 4** - LOW

3 - 1 - VERY LOW AND INFORMATIONAL

#### 1.4 SCOPE

- Staking Factory
- Staking Farm

# 2. ASSESSMENT SUMMARY & FINDINGS OVERVIEW

CRITICAL	HIGH	MEDIUM	LOW	INFORMATIONAL
0	2	2	4	3

#### LIKELIHOOD

	(HAL-03) (HAL-04)	(HAL-02)	(HAL-01)	
	(HAL-05) (HAL-06) (HAL-07)			
	(HAL-08)			
(HAL-09) (HAL-10) (HAL-11)				

SECURITY ANALYSIS	RISK LEVEL	REMEDIATION DATE
HAL01 - PUBLICLY CALLABLE FUNCTIONS LEADING TO OUT-OF-CONTRACT FUNDS BURN	High	NOT APPLICABLE
HAL02 - IMPROPER ROLE-BASED ACCESS CONTROL POLICY	High	PARTIALLY SOLVED
HAL03 - MULTIPLE STAKING ACTIONS CAN BE PERFORMED WHILE CONTRACT IS PAUSED	Medium	SOLVED - 04/12/2022
HAL04 - LACK OF VALIDATION OF BURN FRACTION	Medium	SOLVED - 04/12/2022
HAL05 - VALUE CONVERSION TO SMALLER SIZES MAY RESULT IN OVERFLOWS	Low	SOLVED - 04/12/2022
HAL06 - DELEGATOR AND PREDECESSOR CAN BE THE SAME	Low	NOT APPLICABLE
HAL07 - USE OF VULNERABLE CRATES	Low	RISK ACCEPTED
HAL08 - DEPOSIT ATTACHED IS NOT ASSERTED	Low	NOT APPLICABLE
HAL09 - REDUNDANT ASSERTION	Informational	SOLVED - 04/12/2022
HAL10 - ASSERTION SHOULD BE REPLACED BY A MACRO	Informational	SOLVED - 04/12/2022
HAL11 - DEFAULT IMPLEMENTATION SHOULD BE REPLACED BY A MACRO	Informational	SOLVED - 04/12/2022

# FINDINGS & TECH DETAILS

# 3.1 (HAL-01) HAL01 - PUBLICLY CALLABLE FUNCTIONS LEADING TO OUT-OF-CONTRACT FUNDS BURN - HIGH

#### Description:

The unstake\_burn() and burn() functions in "staking-farm/src/stake.rs" can be publicly callable by anyone, allowing malicious users to continually call the functions with each new epoch, which leads to the reduction of the total stakes in the pool, which would result in fewer rewards for each user who stakes and the transfer of all unstaked tokens to address zero.

#### Code Location:

```
Listing 2: staking-farm/src/stake.rs

132 pub fn burn(&mut self) {
133    let account_id = AccountId::new_unchecked(ZERO_ADDRESS.
   L to_string());
134    let account = self.internal_get_account(&account_id);
135    if account.unstaked > MIN_BURN_AMOUNT {
136         // TODO: replace with burn host function when available.
137         self.internal_withdraw(&account_id, account.unstaked);
138    }
139 }
```

#### Proof of Concept:

The following test case was developed to showcase the issue:

```
Listing 3
 1 fn public_token_burning() {
       let (root, pool) = setup(to_yocto("5"), 1, 3);
       let user1 = create_user_no_stake(&root, &pool);
       wait_epoch(&root);
       assert_all_success(call!(root, pool.ping()));
       wait_epoch(&root);
       assert_all_success(call!(user1, pool.unstake_burn()));

    get_account_unstaked_balance(burn_account())));
       wait_epoch(&root);
       wait_epoch(&root);
       wait_epoch(&root);
       wait_epoch(&root);
       assert_all_success(call!(user1, pool.burn()));
       println!("Unstaked balance: {}", to_int(view!(pool.

    get_account_unstaked_balance(burn_account())));
18 }
```

#### Risk Level:

Likelihood - 4 Impact - 5

#### Recommendation:

Check if the owner is calling the functions before executing their logic, otherwise revert.

#### Remediation Plan:

**NOT APPLICABLE**: The team accepts this behavior as it is intentional based on the reasoning at https://github.com/referencedev/staking-farm#burning-rewards

#### 3.2 (HAL-02) HAL02 - IMPROPER ROLE-BASED ACCESS CONTROL POLICY -HIGH

#### Description:

It was observed that most of the privileged functionality is controlled by the owner. Additional authorization levels are needed to implement the principle of least privilege, also known as least authority, which ensures that only authorized processes, users, or programs can access necessary resources or information. Role ownership is useful in a simple system, but more complex projects require more roles by using role-based access control policy.

#### Code Location:

The owner can access those functions:

- stop\_farm function in farm.rs
- All functions in owner.rs

#### Risk Level:

Likelihood - 3 Impact - 5

#### Recommendation:

Adding additional roles is recommended to adhere to the principle of least privilege and limit owner privileges. You can include the pauser role and change assert\_owner\_or\_authorized\_user() to allow only authorized users to perform actions. Also, do not allow the owner to be set as an authorized user via add\_authorized\_user.

#### Remediation Plan:

PARTIALLY SOLVED: The Aurora team introduced a fix that separates owner and pauser permissions in https://github.com/referencedev/staking-farm/pull/11. However, the fix is partial, since the owner can still become a pauser and the pausers list could become empty by removing all pausers.

# 3.3 (HAL-03) HAL03 - MULTIPLE STAKING ACTIONS CAN BE PERFORMED WHILE CONTRACT IS PAUSED - MEDIUM

#### Description:

The internal\_restake() function in "staking-farm/src/internal.rs" checks if the contract is paused before performing its internal logic, however multiple functions that perform other staking actions do not perform that check before execution, allowing staking actions to be carried out even when staking is paused. Such functions include internal\_stake() and inner\_unstake().

#### Risk Level:

Likelihood - 2 Impact - 5

#### Recommendation:

All functions that perform logic that affects staking actions should start by checking whether the contract is paused or not.

#### Remediation Plan:

# 3.4 (HAL-04) HAL04 - LACK OF VALIDATION OF BURN FRACTION - MEDIUM

#### Description:

When a new instance of StakingContract is created, a burn fraction has to be provided and is then used to determine the amount of tokens burned with each call to the ping() function. An assert\_valid() function is implemented on the Ratio struct that represents the fraction, however it is never called on the passed fraction value before it is used in the StakingContract. This allows an owner to carry out the following scenarios:

- 1. Create a staking pool with a burn fraction that evaluates to 1, meaning all rewards will be burned and nothing will remain for the owner and delegators
- 2. Create a staking pool with a burn fraction that evaluates to more than
- 1, which will cause a panic case every time internal\_ping() is called
- 3. Create a staking pool with a burn fraction that evaluates to 0, meaning nothing will ever burn, which would allow the owner to basically harvest all the rewards if they set the reward fee to a fraction that evaluates to 1

#### Code Location:

```
env::is_valid_account_id(owner_id.as_bytes()),
          );
          let account_balance = env::account_balance();
  STAKE_SHARE_PRICE_GUARANTEE_FUND:
          assert_eq!(
              env::account_locked_balance(),

    initialization"

          );
          let mut this = Self {
              stake_public_key: stake_public_key.into(),
              last_epoch_height: env::epoch_height(),
              last_total_balance: account_balance,
              total_staked_balance,
              total_stake_shares: NumStakeShares::from(

    total_staked_balance),
              total_burn_shares: 0,
              reward_fee_fraction: UpdatableRewardFee::new(

    reward_fee_fraction),
              accounts: UnorderedMap::new(StorageKeys::Accounts),
              farms: Vector::new(StorageKeys::Farms),
              active_farms: Vec::new(),
              paused: false,
              authorized_users: UnorderedSet::new(StorageKeys::
→ AuthorizedUsers),
              authorized_farm_tokens: UnorderedSet::new(StorageKeys
};
```

#### Proof of Concept::

Test cases were done and indeed they resulted in 0 rewards, panic and the owner collected the full reward for the 3 cases mentioned above, respectively:

# Listing 5: Burning all rewards 1 fn burn\_all\_rewards() { 2 let (root, pool) = setup(to\_yocto("10000") + 1\_000\_000\_000\_000 L, 10, 10); 3 let \_ = create\_user\_and\_stake(&root, &pool); 4 wait\_epoch(&root); 5 assert\_all\_success(call!(root, pool.ping())); 6 7 wait\_epoch(&root); 8 assert\_all\_success(call!(root, pool.ping())); 9 }

#### 

```
Listing 7: Owner getting all rewards

1 fn owner_gets_all_rewards() {
2    let (root, pool) = setup(to_yocto("10000") + 1_000_000_000_000
L, , 10, 0);
3    let user1 = create_user_and_stake(&root, &pool);
4    wait_epoch(&root);
5    assert_all_success(call!(root, pool.ping()));
6
7    let mut root_balance = to_int(view!(pool.
L, get_account_total_balance(root.account_id())));
8    let mut user_balance = to_int(view!(pool.
L, get_account_total_balance(user1.account_id())));
9
10    log!("First iteration: Root balance: {}\nUser balance: {}\n",
L, root_balance, user_balance);
11
12    wait_epoch(&root);
13    assert_all_success(call!(root, pool.ping()));
```

```
root_balance = to_int(view!(pool.get_account_total_balance(
L, root.account_id())));

user_balance = to_int(view!(pool.get_account_total_balance(
L, user1.account_id())));

log!("Second iteration: Root balance: {}\nUser balance: {}",
L, root_balance, user_balance);

}
```

#### Risk Level:

Likelihood - 2

Impact - 5

#### Recommendation:

The assert\_valid() function must be called before the fraction is used to create the StakingContract instance.

#### Remediation Plan:

#### 3.5 (HAL-05) HAL05 - VALUE CONVERSION TO SMALLER SIZES MAY RESULT IN OVERFLOWS - LOW

#### Description:

This behavior exists in multiple areas of the project, for example in the multiply() function implemented for the Ratio struct in "staking-farm/src/lib.rs". It is required to enforce that the ratio is valid.

#### Code Location:

#### Risk Level:

Likelihood - 2 Impact - 3

#### Recommendation:

Ratio validation should always take place to avoid cases of overflow.

#### Remediation Plan:

## 3.6 (HAL-06) HAL06 - DELEGATOR AND PREDECESSOR CAN BE THE SAME - LOW

#### Description:

It was observed that the claim() function accepts that delegator\_id is equal to env::predecessor\_account\_id(). Enabling this will cause the smart contract to perform a redundant operation of doing a cross contract call to the delegator and then setting claim\_account\_id and send\_account\_id to the same value in internal\_claim().

#### Code Location:

staking-farm/src/farm.rs: claim()

#### Recommendation:

Consider asserting delegator\_id != env::predecessor\_account\_id() to avoid redundant operations.

#### Remediation Plan:

**NOT APPLICABLE**: The Aurora team will not fix since it does not pose a direct risk and updating the code might introduce other bugs.

## 3.7 (HAL-07) HAL07 - USE OF VULNERABLE CRATES - LOW

#### Description:

The following crates used in the project dependencies have known vulnerabilities:

ID	package	Short Description		
RUSTSEC-2020-0159	chrono	Potential segfault in 'localtime_r' invoca-		
		tions		
RUSTSEC-2021-0067	cranelift-	Memory access due to code generation flaw		
	codegen	in Cranelift module		
RUSTSEC-2021-0013	raw-cpuid	Soundness issues in 'raw-cpuid'		
RUSTSEC-2021-0089	raw-cpuid	Optional 'Deserialize' implementations		
		lacking validation		
RUSTSEC-2022-0013	regex	Regexes with large repetitions on empty sub-		
		expressions take a very long time to parse		
RUSTSEC-2020-0071	time	Potential segfault in the time crate		
RUSTSEC-2021-0110	wasmtime	Multiple Vulnerabilities in Wasmtime		

#### 3.8 Recommendation

Even if those vulnerable crates cannot affect the underlying application, it is recommended to be aware of them. Furthermore, you need to configure dependency monitoring to always be alert when a new vulnerability is disclosed in one of the project crates.

#### Remediation Plan:

**RISK ACCEPTED**: The Aurora team accepted the risk of this finding; however, no fixes were introduced as the affected crates are not under the team's control.

## 3.9 (HAL-08) HAL08 - DEPOSIT ATTACHED IS NOT ASSERTED - LOW

#### Description:

The deposit() function does not assert that the attached deposit works. Users can call this function without attaching a deposit by making the amount zero in the internal\_deposit function.

#### Code Location:

• staking-farm/src/stake.rs: deposit()

#### Recommendation:

It is advised to assert at least one to avoid any redundant calls to that function.

**NOT APPLICABLE**: The Aurora team decided this will not be fixed since it does not pose a direct risk.

## 3.10 (HAL-09) HAL09 - REDUNDANT ASSERTION - INFORMATIONAL

#### Description:

In the new function, an assert prevents anyone from re-initializing the contract. However, since the #[init] macro is used, this check is redundant.

#### Code Location:

```
Listing 9: staking-farm/src/lib.rs (Line 200)

193 #[init]
194    pub fn new(
195         owner_id: AccountId,
196         stake_public_key: PublicKey,
197         reward_fee_fraction: Ratio,
198         burn_fee_fraction: Ratio,
199    ) -> Self {
200         assert!(!env::state_exists(), "Already initialized");
201         reward_fee_fraction.assert_valid();
202         ...
```

#### Recommendation:

Consider removing that assertion to avoid redundant code.

#### Remediation Plan:

# 3.11 (HAL-10) HAL10 - ASSERTION SHOULD BE REPLACED BY A MACRO - INFORMATIONAL

#### Description:

In the on\_stake\_action function, the assert statement is used to ensure that the function is only callable by the contract itself. However, near\_sdk already provides the #[private] macro, which can be used to do that.

#### Code Location:

#### Recommendation:

Consider adding the #[private] macro which implements the same check.

#### Remediation Plan:

# 3.12 (HAL-11) HAL11 - DEFAULT IMPLEMENTATION SHOULD BE REPLACED BY A MACRO - INFORMATIONAL

#### Description:

The /staking-farm/staking-farm/src/lib.rs contract contains a default implementation of a contract that triggers the assertion. However, instead of coding it yourself, there is a macro called PanicOnDefault that you can bypass.

#### Code Location:

#### Recommendation:

Consider bypassing PanicOnDefault to remove that default implementation.

#### Remediation Plan:

### AUTOMATED TESTING

#### 4.1 AUTOMATED ANALYSIS

#### Description:

Halborn used automated security scanners to assist with detection of well-known security issues and vulnerabilities. Among the tools used was cargo audit, a security scanner for vulnerabilities reported to the RustSec Advisory Database. All vulnerabilities published in <a href="https://crates.io">https://crates.io</a> are stored in a repository named The RustSec Advisory Database. cargo audit is a human-readable version of the advisory database which performs a scanning on Cargo.lock. Security Detections are only in scope. All vulnerabilities shown here were already disclosed in the above report. However, to better assist the developers maintaining this code, the auditors are including the output with the dependencies tree, and this is included in the cargo audit output to better know the dependencies affected by unmaintained and vulnerable crates.

#### Results:

ID	package	Short Description		
RUSTSEC-2020-0159	chrono	Potential segfault in 'localtime_r' invoca-		
		tions		
RUSTSEC-2021-0067	cranelift-	Memory access due to code generation flaw		
	codegen	in Cranelift module		
RUSTSEC-2021-0013	raw-cpuid	Soundness issues in 'raw-cpuid'		
RUSTSEC-2021-0089	raw-cpuid	Optional 'Deserialize' implementations		
		lacking validation		
RUSTSEC-2022-0013	regex	Regexes with large repetitions on empty sub-		
		expressions take a very long time to parse		
RUSTSEC-2020-0071	time	Potential segfault in the time crate		
RUSTSEC-2021-0110	wasmtime	Multiple Vulnerabilities in Wasmtime		

THANK YOU FOR CHOOSING

