



EIP-1283 Incident Report

Background and Lessons Learned

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EIP-1283 Gas Calculation Security Incident

Background

EIP-1283 was <u>initially proposed</u> on August 1, 2018. It was <u>accepted</u> on November 28, 2018. On January 14th, 2018, two days before the Constantinople hard fork, a security <u>issue</u> in the EIP-1283 was discovered and detailed by ChainSecurity. The fork's modification to gas computation would have led previously safe contracts to become vulnerable to a reentrancy attack. For approximately 24 hours spanning January 15th to 16th, 2018, Trail of Bits, ChainSecurity, and Eveem proceeded to assess the number of vulnerable contracts on Ethereum mainnet, considered potential mitigations, and reflected on how the situation could have been avoided.

The current EIP process depends on one of a few security experts dedicating enough of her time to fully review each modification. Security review may not always occur for EIPs that need it.

The security of Ethereum smart contracts relies on the immutability of the blockchain. A contract's properties are typically proven safe for only a single specification of the EVM. Any change to the EVM specification can lead to a violation of an existing contract's general semantics, and thereby its security properties. EIP-1283 constituted such a change.

Vulnerability Description

A common reentrancy mitigation relies on the use of the Solidity send and transfer functions. These functions limit the gas given to a call to 2300. It is assumed that it is not possible to change a state variable with this gas limitation. EIP-1283 introduces a new gas computation which allows for cheaper state variable modifications. This makes it possible to change a state variable with less than 2300 gas, breaking the reentrancy mitigation used by already deployed contracts.

See ChainSecurity's <u>announcement</u> for further explanation, including a proof-of-concept exploit.

Exploit Scenario

Alice develops a smart contract and ensures the safety of the code through formal methods. The contract is proved reentrancy-safe. Alice deploys the contract and transfers 100 ethers to it. The Constantinople hard fork occurs. Gas computation rules change. Alice's contract becomes vulnerable to a reentrancy attack. Bob takes advantage of the reentrancy and steals the 100 ethers.

Recommendations

Short-term

Do not implement EIP-1283. Low gas cost for storage changes can break the implicit assumption that CALL instructions with the 2300 gas stipend are safe from reentrancies.

If EIP-1283 is implemented, ensure that dirty storage is tracked per call, not per transaction. This will ensure that any call causing reentrancy will not be given a gas discount. Consider using a new opcode to prevent changing the behavior of existing contracts.

Long-term

Explicitly define which parts of Ethereum are considered immutable and which ones may change in future network upgrades. For example:

Component	Mutability	Discussion
Instruction Semantics	Immutable?	Instruction semantics must be immutable.
Available instructions	Mutable?	Instructions can be added but must not be removed.
Gas cost of instructions	Immutable?	Consider denial-of-service attacks, and whether gas costs could be restricted to move only in a single direction (<i>e.g.</i> , up). Favor new opcodes rather than changing the gas cost of existing ones. Changing the gas cost of instructions would not be a problem if developers did not assume they are invariant from one version of EVM to another.
Gas limit per transaction/block	Mutable?	Can this decrease over time?

Define a set of criteria to determine "high-risk" EIPs. For any high-risk EIPs, allocate specialized security resources to fully review their ramifications prior to approval. Consider as high-risk any EIP that changes existing contract behavior. In particular, flag for security review EIPs that reference the following:

• Modifications to gas computation

- Contract upgradability
- New instructions that lower gas usage for existing functionality¹
- New instructions that introduce a new calling convention
- Change to value transactions, especially Ether

Review and update documentation to underscore sensitive areas of Ethereum that could retroactively change how earlier deployed smart contracts behave. For instance, developers are often told to assume that transfer/send operations are reentrancy-safe due to gas costs, when gas cost is a property of Ethereum that could be subject to change.

Consider creating a reentrancy-safe CALL instruction. This instruction would allow a contract to send ethers to another contract, execute some instructions (such as LOG), but prevent a reentrancy attack. A reentrancy-mitigation at the EVM level would prevent incorrect assumptions from high-level languages, such as Solidity and Vyper. Alternatively, consider adding a recursion-limiting opcode that prevents a contract from recurring on the call stack thereafter.²

Consider specifying a "constitution" that defines what can be changed between different versions of the EVM. This would allow developers to begin using patterns that are future-proofed.

¹ This may enable contracts to conduct attacks that were previously impossible, e.g., "CALL_CHEAP".

² Recursion in this context is meant on a contract-level, not a function-level.

Appendix A. List of vulnerable contracts

This non-exhaustive list of contracts would have been vulnerable³ to the reentrancy attack:

testingToken

- 0x41dfc15CF7143B859a681dc50dCB3767f44B6E0b
- 0x9c794584B2f482653937B529647924606446E7F4
- 0x911D71eEd45dBc20059004f8476Fe149105bF1Dc
- 0x693399AAe96A88B966B05394774cFb7b880355B4

Artwork

- 0x98eA61752e448b5b87e1ed9b64fe024B40c6127d
- 0x4f1DcdAbEEA91ED4b6341e7396127077161F69eD
- 0xa3cE9716F5914e6Bb5e6F80E5DD692d640F8608c
- 0xC82Fe8071B352Ee022FaB5064Ff5c0148e3ac3aa
- 0x95583A705587EDed8ecBaF1E8DE854e778f366C4
- 0x1FCC17b8e72b65fD6224ababaA72128D2153C1FA
- 0xc14971b19a39327C032CcFfBD1b714C0F886dc76
- 0x626e6a26423ce9dd358e1e5bd84bce01de07bc73
- 0x22164E957ac4C0cB0f19C49B05e627675436DFE1

We scanned the blockchain with several tools including <u>Eveem</u>, ChainSecurity's Symbolic Verifier, and Trail of Bits' <u>Slither</u> analyzer. The vast majority of the contracts did not present an immediate risk. In several contracts where a reentrancy is possible with EIP-1283, the reentrancy did not result in a violation of a contract-specific property. Nonetheless, EIP-1283 does change the semantics of such contracts.

Several code patterns (such as upgradability and heavy use of reference storage) are challenging for the automated analyses, increasing the likelihood of missing bugs. Our approach could only find the presence of vulnerable contracts and is not suited to find all the instances of the bug.

We did not find any vulnerable high-profile contracts during the limited time of research. However, we did discover real instances of the bug on mainnet, and we found contracts that could have been vulnerable if the generated bytecode had been optimized. If deployed, EIP-1283 would likely have been the enabler of a reentrancy hack.

 $^{^{3}}$ E.g., EIP-1283 allows the contract to reach a state that was previously not possible.