



TechRate
AUDIT COMPANY

Kingfund

Smart Contract Security Audit

Disclaimer

This is a limited report on our findings based on our analysis, in accordance with good industry practice as at the date of this report, in relation to cybersecurity vulnerabilities and issues in the framework and algorithms based on smart contracts, the details of which are set out in this report. In order to get a full view of our analysis, it is crucial for you to read the full report. While we have done our best in conducting our analysis and producing this report, it is important to note that you should not rely on this report and cannot claim against us on the basis of what it says or doesn't say, or how we produced it, and it is important for you to conduct your own independent investigations before making any decisions. We go into more detail on this in the below disclaimer below – please make sure to read it in full.

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The analysis of the security is purely based on the smart contracts alone. No applications or operations were reviewed for security. No product code has been reviewed.

Background

TechRate was commissioned by Kingfund to perform an audit of smart contract:

- <https://bscscan.com/address/0xdf0fa1Ec238A46BDC1eaDe0ccb8c6f14739EDaFc#code>

The purpose of the audit was to achieve the following:

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

The information in this report should be used to understand the risk exposure of the smart contract, and as a guide to improve the security posture of the smart contract by remediating the issues that were identified.

Issues Checking Status

Issue description		Checking status
1.	Compiler errors.	Passed
2.	Race conditions and Reentrancy. Cross-function race conditions.	Passed
3.	Possible delays in data delivery.	Passed
4.	Oracle calls.	Passed
5.	Front running.	Passed
6.	Timestamp dependence.	Passed
7.	Integer Overflow and Underflow.	Passed
8.	DoS with Revert.	Passed
9.	DoS with block gas limit.	Low issues
10.	Methods execution permissions.	Passed
11.	Economy model of the contract.	Passed
12.	The impact of the exchange rate on the logic.	Passed
13.	Private user data leaks.	Passed
14.	Malicious Event log.	Passed
15.	Scoping and Declarations.	Passed
16.	Uninitialized storage pointers.	Passed
17.	Arithmetic accuracy.	Passed
18.	Design Logic.	High issue
19.	Cross-function race conditions.	Passed
20.	Safe Open Zeppelin contracts implementation and usage.	Passed
21.	Fallback function security.	Passed

Security Issues

✓ High Severity Issues

1. Abuse of authority (Both)

Issue:

- The function `burn()` could be called only by the Primary market addresses and has ability to burn any amount of tokens for any tranche for any user.

Recommendation:

Do not allow anybody, even Primary market addresses to erase other users' balances.

✓ Medium Severity Issues

No medium severity issues found.

✓ Low Severity Issues

2. Out of gas (Both)

Issue:

- The function `_settlePrimaryMarkets()` uses the loop to iterate through `PrimaryMarkets`. Function will be aborted with `OUT_OF_GAS` exception if there will be a long `_primaryMarketMembers` list.
- The function `settle()` uses loops to iterate through `obsoletePrimaryMarkets` and `newPrimaryMarkets`. Function will be aborted with `OUT_OF_GAS` exception if there will be a long addresses lists.

Recommendation:

Check that the excluded array length is not too big.

Owner privileges (In the period when the owner is not renounced)

- Owner can initialize contract.
- Owner can add `obsoletePrimaryMarkets` and `newPrimaryMarkets` addresses.
- Owner can change `dailyProtocolFeeRate`.
- Owner can change `twapOracle`, `aprOracle`, `ballot` and `feeCollector` addresses.
- Only `PrimaryMarket` addresses can burn and mint.
- Only share addresses can transfer.

Conclusion

Smart contracts contain high severity issues! Contracts contain interfaces that is not audited due to out of scope. The further transfers and operations with the funds raise are not related to this particular contract.

TechRate note:

Please check the disclaimer above and note, the audit makes no statements or warranties on business model, investment attractiveness or code sustainability. The report is provided for the only contract mentioned in the report and does not include any other potential contracts deployed by Owner.



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