

# Taraxa Ficus Root Bridge Smart Contracts

Security Assessment (Summary Report)

August 16, 2024

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Founded in 2012 and headquartered in New York, Trail of Bits provides technical security assessment and advisory services to some of the world's most targeted organizations. We combine high-end security research with a real-world attacker mentality to reduce risk and fortify code. With 100+ employees around the globe, we've helped secure critical software elements that support billions of end users, including Kubernetes and the Linux kernel.

We maintain an exhaustive list of publications at <a href="https://github.com/trailofbits/publications">https://github.com/trailofbits/publications</a>, with links to papers, presentations, public audit reports, and podcast appearances.

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We specialize in software testing and code review projects, supporting client organizations in the technology, defense, and finance industries, as well as government entities. Notable clients include HashiCorp, Google, Microsoft, Western Digital, and Zoom.

Trail of Bits also operates a center of excellence with regard to blockchain security. Notable projects include audits of Algorand, Bitcoin SV, Chainlink, Compound, Ethereum 2.0, MakerDAO, Matic, Uniswap, Web3, and Zcash.

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### **Project Summary**

#### **Contact Information**

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#### **Project Timeline**

The significant events and milestones of the project are listed below.

Date	Event
July 2, 2024	Pre-project kickoff call
July 15, 2024	Delivery of report draft; report readout meeting
August 16, 2024	Delivery of summary report with fix review

## **Project Targets**

The engagement involved a review and testing of the following target.

#### bridge

Repository https://github.com/Taraxa-project/bridge

Version f82dd87c7e23358c74f7dc37451ca61110b60942

Type Solidity

Platform EVM

#### beacon-light-client

Repository https://github.com/Taraxa-project/beacon-light-client

Version b2eafadf37e466f7cbed3c5b1ca0a917f152137a

Type Solidity

Platform EVM

#### **Executive Summary**

#### **Engagement Overview**

Taraxa engaged Trail of Bits to continue a review of the security of its bridge smart contracts at commit f82dd87 and to conduct a best-effort review of the Beacon chain light client at commit b2eafad. The contracts within the bridge repo facilitate the bridging of tokens between the Taraxa and Ethereum chains. The Beacon chain light client facilitates light client proofs of a beacon chain (which is used by the bridge contracts).

Although this was meant to be a continuation of the review of the previous bridge review (commit ec89224), the provided commit for this audit (f82dd87) included an almost complete rewrite of the bridge smart contracts. Therefore, we spent a considerable amount of time on re-reviewing the entire implementation, instead of purely focusing on the parts not covered during the original audit. This limited the depth of our review (as well as our best-effort review of the Beacon chain light client).

A team of two consultants conducted the review from July 8 to July 14, 2024, for a total of 1.6 engineer-weeks of effort. With full access to source code and documentation, we performed static and dynamic testing of the codebase, using automated and manual processes.

#### Observations and Impact

We identified seven issues during this short engagement, three of which are high severity. The first issue (TOB-TARA-1) shows how not using a "safe" ERC20 transfer function can lead to loss of funds for users when dealing with particular non-standard ERC20 tokens.

The second issue (TOB-TARA-4) allows anyone to arbitrarily inflate the votes for a given PillarBlock during finalization; i.e., it is possible to finalize PillarBlocks that did not receive enough votes from validators to pass the threshold. This issue highlights the importance of validating all inputs and correctly handling all edge-cases.

The third high-severity issue (TOB-TARA-6) shows a reentrancy-related vulnerability that allows hook-enabled tokens (ERC777) to be drained from a ERC20 locking connector. Additionally, whenever this reentrancy is performed, it will corrupt the internal state; this would break the contract and require an upgrade to fix. This issue highlights the danger of not adhering to the Checks-Effects-Interactions pattern and/or not using reentrancy guards. Additionally, this issue highlights the usefulness of using Slither to perform static analysis on Solidity smart contracts, as Slither detects this issue.

We also want to highlight that the inline documentation could be significantly improved. This would have likely uncovered TOB-TARA-5, and overall would make the implementation



easier to understand. In particular, many if-statements are hard to understand since there is no comment explaining why the conditions are defined as they are.

Our review of the beacon-light-client repo was a best-effort review that uncovered one finding (TOB-TARA-3). A full review of this repository could uncover more issues and is recommended.

#### Recommendations

Based on the findings identified during the security review, Trail of Bits recommends that Taraxa Labs take the following steps:

- Remediate the findings disclosed in this report. These findings should be addressed as part of a direct remediation or as part of any refactor that may occur when addressing other recommendations.
- **Improve the inline documentation.** Writing inline comments may cause issues to become obvious. Additionally, this would make it easier to understand the implementation, especially the various if-statements it contains.
- **Perform a full audit of the beacon-light-client repository.** During this short review, we performed only a best-effort review of the beacon-light-client repo. Additionally, as stated in the Engagement Overview, the changing of commits required us to re-review the entire bridge repo; as a result, we had very limited time to review the beacon-light-client.
- Perform another audit of the bridge repository once it is finalized. As stated in the Engagement Overview section, due to changing of commits, the level of depth we achieved during this short review was insufficient for us to be reasonably confident that no more bugs are present. Performing another audit would increase confidence in the security of the implementation and would likely uncover more issues. Additionally, examination of the amount of changes between the previous and current commits of our reviews suggests that the bridge repo is not yet in a finished state. We recommend reviewing it once it has been finalized and no more changes are planned.



# **Summary of Findings**

The table below summarizes the findings of the review, including type and severity details.

ID	Title	Туре	Severity
1	Lack of safeTransfer usage for ERC20	Data Validation	High
2	The add() function can revert	Denial of Service	Informational
3	G1 and G2 from() method lack field point validation	Data Validation	Informational
4	Missing validation allows signatures to be duplicated to finalize any PillarBlock	Data Validation	High
5	Incorrect mapping key used in validation inside registerContract	Undefined Behavior	Informational
6	Reentrancy in applyState can lead to breaking the contract and stealing hook-enabled tokens	Undefined Behavior	High
7	Confusing application of settlementFee to locking native assets	Arithmetic	Informational

8

#### **Detailed Findings**

1. Lack of safeTransfer usage for ERC20		
Severity: <b>High</b>	Difficulty: <b>Medium</b>	
Type: Data Validation	Finding ID: TOB-TARA-1	
Target: bridge/src/connectors/ERC20LockingConnectorLogic.sol		

#### **Description**

The applyState function in the ERC20LockingConnectorLogic contract uses the transfer function instead of the safeTransfer function provided by the SafeERC20 library. This can cause tokens whose transfer function does not conform to the ERC20 specification to behave incorrectly. In particular, it could result in no tokens being transferred to a recipient while the contract behaves as though the tokens did get transferred and does not revert, leading to loss of funds.

```
22
      function applyState(bytes calldata _state) public virtual override onlyBridge
23
          Transfer[] memory transfers = decodeTransfers(_state);
24
          uint256 transfersLength = transfers.length;
          for (uint256 i = 0; i < transfersLength;) {</pre>
25
              IERC20(token).transfer(transfers[i].account, transfers[i].amount);
26
27
              unchecked {
28
                  ++i:
29
              }
30
         }
      }
31
```

Figure 1.1: The use of the ERC20 transfer function in ERC20LockingConnectorLogic.sol#L22-L31

#### **Exploit Scenario**

Alice, a user of the Taraxa bridge, wants to transfer her USDT to the Taraxa chain. However, the transfer unexpectedly reverts. Because the error is uncaught, Alice loses her USDT tokens.

#### **Recommendations**

Short term, use the safeTransfer function of the SafeERC20 library.

Long term, keep up to date with the usage of third-party libraries and ensure that they are used appropriately throughout the codebase.



2. The add function can revert		
Severity: <b>Informational</b>	Difficulty: <b>High</b>	
Type: Denial of Service	Finding ID: TOB-TARA-2	
Target: lib/Maths.sol		

#### **Description**

The add function in the Maths library fails to account for an arithmetic edge case involving the negation of a signed integer. In particular, the negation of int256.min will revert, as it does not have an appropriate two's complement representation.

```
5  function add(uint256 a, int256 b) internal pure returns (uint256) {
6    if (b < 0) {
7       return a - uint256(-b);
8    }
9    return a + uint256(b);
10 }</pre>
```

Figure 2.1: The add function in Maths. sol#L5-L10

#### Recommendations

Short term, ensure that the edge case in the library is handled appropriately by using an unchecked block for a b value of int256.min.

Long term, improve unit testing to uncover edge cases and ensure intended behavior throughout the system.

# 3. G1 and G2 from method lack field point validation Severity: Informational Type: Data Validation Difficulty: Low Finding ID: TOB-TARA-3 Target: beacon-light-client/src/bls12381/{G1,G2}.sol

#### **Description**

Both the G1.sol and G2.sol files' from method lack validation that the BLS12Fp points used to create G1 and G2 subgroup elements are valid field elements. In particular, they do not check that each of the BLS12Fp field elements fit into the modulus. This could lead to multiple issues and undefined behavior downstream when using various elliptic curve point functionalities, including pairings.

Figure 3.1: The from method in G1.sol#L93-L98

```
/// @dev Derive Bls12G1 from uint256[8].
120
       /// @param x uint256[4].
121
122
       /// @return Bls12G2.
        function from(uint256[8] memory x) internal pure returns (Bls12G2 memory) {
123
124
            return Bls12G2(
                Bls12Fp2(Bls12Fp(x[0], x[1]), Bls12Fp(x[2], x[3])),
125
Bls12Fp2(Bls12Fp(x[4], x[5]), Bls12Fp(x[6], x[7]))
126
            );
127
        }
```

Figure 3.2: The from method in G2.sol#L120-L127

#### Recommendations

Short term, call is\_valid on each of the BLS12Fp points used to create G1 and G2 group elements.

Long term, improve unit testing to uncover edge cases and ensure intended behavior throughout the system.

# 4. Missing validation allows signatures to be duplicated to finalize any PillarBlock

Severity: <b>High</b>	Difficulty: <b>Low</b>	
Type: Data Validation	Finding ID: TOB-TARA-4	
Target: bridge/src/eth/TaraClient.sol		

#### Description

The finalizeBlocks function lacks proper validation of the lastBlockSigs argument and therefore allows any caller to arbitrarily inflate the number of signatures by duplicating the same signature in lastBlockSigs. This allows a PillarBlock that did not gain the required amount of validator votes to pass and be accepted as valid.

Figure 4.1 shows that the lastBlockSigs argument is not validated and passed into the getSignaturesWeight function.

```
function finalizeBlocks(PillarBlock.WithChanges[] memory blocks,
CompactSignature[] memory lastBlockSigs) public {
            uint256 blocksLength = blocks.length;
  83
            uint256 weightThreshold = totalWeight / 2 + 1;
 84
            for (uint256 i = 0; i < blocksLength;) {</pre>
                // skip verification for the first(genesis) block. And verify
signatures only for the last block in the batch
                if (finalized.block.period != 0 && i == (blocks.length - 1)) {
103
104
                    uint256 weight =
getSignaturesWeight(PillarBlock.getVoteHash(blocks[i].block.period, pbh),
lastBlockSigs);
                    if (weight < weightThreshold) {</pre>
106
                        revert ThresholdNotMet({threshold: weightThreshold, weight:
107
weight});
108
                }
109
 . . .
117
            }
118
```

Figure 4.1: The finalizeBlocks function in TaraClient.sol#L81-L118

Figure 4.2 shows the getSignaturesWeight function. This function does not in any way prevent duplicate signatures in the list to cause a revert. As long as the signature signed the PillarBlock hash (pbh variable), it is deemed valid, and the accompanying signer's

(=validator) vote count is added to the weight variable. This weight variable is returned to finalizeBlocks after all signatures have been processed. The finalizeBlocks function will then continue with validating that this weight is at least weightThreshold (highlighted in red in figure 4.1). By inflating the amount of signatures due to duplicate signatures, a malicious user can circumvent this check for PillarBlocks that lack the required amount of votes.

```
126
        function getSignaturesWeight(bytes32 h, CompactSignature[] memory
signatures)
127
            public
128
            view
129
            returns (uint256 weight)
130
131
            uint256 signaturesLength = signatures.length;
            for (uint256 i = 0; i < signaturesLength; i++) {</pre>
132
133
                address signer = ECDSA.recover(h, signatures[i].r,
signatures[i].vs);
                weight += validatorVoteCounts[signer];
134
135
            }
136
```

Figure 4.2: The getSignaturesWeight function in TaraClient.sol#L126-L136

#### **Exploit Scenario**

Eve calls the finalizeBlocks function with a PillarBlock whose last block has some votes, but not enough votes. Eve duplicates one of the signatures so many times as to pass the weightThreshold. The call succeeds, and a PillarBlock without enough votes was deemed valid and finalized.

#### Recommendations

Short term, prevent duplicate signatures from being accepted inside the getSignaturesWeight function, and instead trigger a revert in case of duplicate signatures.

Long term, always validate inputs as much as possible. Also think of and handle edge cases such as duplicating values, passing zero values, and other ways of invalid input.

# 5. Incorrect mapping key used in validation inside registerContract Severity: Informational Type: Undefined Behavior Target: bridge/src/lib/BridgeBase.sol

#### **Description**

A check inside the registerContract function uses the wrong value for the key into the connectors mapping, which will likely result in this check always passing. In terms of the check itself, this does not currently pose a problem due to the other validations, one of which uses the right value for this same mapping to perform the same check a couple lines further down.

The connectors mapping is used to look up which connector should be used for a specific source contract. As such, the mapping's key is a source contract address, and the value is a connector address. At the end of figure 5.1 a line is highlighted in orange, which shows the correct setting of a value in this mapping where the key is the srcContract address and the value is a connector address.

Figure 5.1 shows that the wrong value is used for the key in the connectors mapping (highlighted in yellow). However, a couple of lines down, the same check is performed with the right value for the key (highlighted in blue), so this important validation is performed.

```
142
        function registerContract(IBridgeConnector connector) public payable {
143
            if (msg.value < registrationFee) {</pre>
                revert InsufficientFunds(registrationFee, msg.value);
144
145
            }
146
147
            address srcContract = connector.getSourceContract();
148
            address dstContract = connector.getDestinationContract();
149
            if (connectors[address(connector)] != IBridgeConnector(address(0))) {
150
151
                return:
152
            if (srcContract == address(0)) {
153
154
                revert ZeroAddressCannotBeRegistered();
155
156
            if (localAddress[dstContract] != address(0) ||
address(connectors[srcContract]) != address(0)) {
                revert ConnectorAlreadyRegistered({connector: address(connector),
token: srcContract});
```

```
}
158
159
           address owner = OwnableUpgradeable(address(connector)).owner();
160
161
           if (owner != address(this)) {
               revert IncorrectOwner(owner, address(this));
162
163
164
           connectors[srcContract] = connector;
165
           localAddress[dstContract] = srcContract;
166
167
           tokenAddresses.push(srcContract);
168
           emit ConnectorRegistered(address(connector), srcContract, dstContract);
169
       }
```

Figure 5.1: The registerContract function in TaraClient.sol#L81-L118

#### Recommendations

Short term, remove lines 150, 151, and 152, as this same check is already performed on line 156.

Long term, add more inline documentation to the implementation. In particular, add comments that explain what if-statements are checking. This would have likely uncovered this incorrect mapping usage.

# 6. Reentrancy in applyState can lead to breaking the contract and stealing hook-enabled tokens

Severity: <b>High</b>	Difficulty: <b>Medium</b>	
Type: Undefined Behavior	Finding ID: TOB-TARA-6	
Target: bridge/src/lib/BridgeBase.sol		

#### **Description**

The lack of reentrancy guards on the applyState function allows the stealing of hook-supporting tokens by calling applyState recursively. Since no popular tokens support this standard or hooks in general, this limits the impact of this issue. However, because the epoch incorrectly increments whenever applyState is called through reentrancy, this will likely prevent the broken bridge contract's applyState function from accepting valid bridge messages, since the epoch does not match what is expected.

The applyState function can be called by anyone and will apply bridged messages (either from Ethereum to Taraxa, or vice versa). Inside this function, the epoch in the input arguments is validated to be one above the current epoch (called appliedEpoch, as highlighted in yellow in figure 6.1). At the very end of the function, the appliedEpoch is incremented (as highlighted in blue in figure 6.1). In the middle of the function, a loop over all of the bridged messages is performed; this will call the applyState function of the configured connector (as highlighted in green in figure 6.1). These will then transfer the tokens to the recipient (this could involve transferring an ERC20 token amount, minting an ERC20 token amount, or transferring an amount of the chain's native token).

In the case of an ERC20 transfer in which the token to be transferred is an ERC777 (or an otherwise hook-supporting token) contract, the recipient can use reentrancy to call back into the BridgeBase.applyState function with the same arguments. This works since appliedEpoch is incremented only at the end of the function.

```
181
            ) {
182
                revert StateNotMatchingBridgeRoot({
183
                    stateRoot:
SharedStructs.getBridgeRoot(state_with_proof.state.epoch,
state_with_proof.state_hashes),
                    bridgeRoot:
lightClient.getFinalizedBridgeRoot(state_with_proof.state.epoch)
185
                });
186
            }
187
            if (state_with_proof.state.epoch != appliedEpoch + 1) {
188
                revert NotSuccessiveEpochs({epoch: appliedEpoch, nextEpoch:
state_with_proof.state.epoch});
189
190
            uint256 statesLength = state_with_proof.state.states.length;
191
            uint256 idx = 0;
192
            while (idx < statesLength) {</pre>
                SharedStructs.ContractStateHash calldata proofStateHash =
193
state_with_proof.state_hashes[idx];
                SharedStructs.StateWithAddress calldata state =
state_with_proof.state.states[idx];
195
                if (localAddress[proofStateHash.contractAddress] == address(0)) {
196
                    unchecked {
197
                        ++idx;
198
                    }
199
                    continue;
200
201
                bytes32 stateHash = keccak256(state.state);
202
                if (stateHash != proofStateHash.stateHash) {
203
                    unchecked {
204
                        ++idx:
205
                    revert InvalidStateHash(stateHash, proofStateHash.stateHash);
206
207
                }
208
                if
(isContract(address(connectors[localAddress[proofStateHash.contractAddress]]))) {
connectors[localAddress[proofStateHash.contractAddress]].applyState(state.state) {}
catch {}
210
                }
211
                unchecked {
212
                    ++idx:
213
                }
214
            uint256 used = (gasleftbefore - gasleft()) * tx.gasprice;
215
216
            uint256 payout = used * feeMultiplier / 100;
217
            if (address(this).balance >= payout) {
218
                (bool success,) = payable(msg.sender).call{value: payout}("");
219
                if (!success) {
220
                    revert TransferFailed(msg.sender, payout);
221
                }
222
223
            ++appliedEpoch;
224
        }
```

Figure 6.1: The applyState function in BridgeBase.sol#L175-L224

#### **Exploit Scenario**

Eve holds 1,000 of an ERC777 token called TokenX in a contract she has deployed (called AttackerContract). Eve bridges these 1,000 TokenX from Ethereum to Taraxa. Eve's 1,000 tokens are now locked inside the configured ERC20LockingConnector on Ethereum. After bridging to Taraxa, she immediately initiates a bridge of 1,000 TokenX from Taraxa back to Ethereum.

She now monitors the Ethereum chain to spot the first time anyone tries to call the EthBridge.applyState function to bridge messages, which includes her bridging message. Once she spots it, she front-runs the transaction and calls EthBridge.applyState with the same arguments.

The message handling loop will now call the TokenX.transfer function to transfer the 1,000 tokens to AttackerContract, after which the ERC777 \_callTokensToReceived hook will call AttackerContract. Inside the called AttackerContract function, a call is made back to EthBridge.applyState with the same arguments as the original call. This will lead to a loop where each time EthBridge.applyState is called, the AttackerContract will receive 1,000 TokenX tokens.

The only limitations of this attack are gas, the amount of TokenX inside the ERC20LockingConnector, and the failure of other bridging messages due to lack of tokens or multiple executions.

#### Recommendations

Short term, add reentrancy guards to the BridgeBase.applyState function. This will prevent the aforementioned issue.

#### Long term:

- Use Slither to detect this issue, and integrate it into the CI using slither-action.
- Review all non-view functions and consider adding reentrancy guards to each of these functions.
- Update the implementation to follow the Checks-Effects-Interactions pattern. This pattern is considered a best practice and structures the code in a manner that helps prevent reentrancy vulnerabilities.



# 7. Confusing application of settlementFee to locking native assets Severity: Informational Type: Arithmetic Difficulty: Low Finding ID: TOB-TARA-7 Target: bridge/src/lib/BridgeBase.sol

#### **Description**

The process of deducting the fee from the passed in msg.value is confusing and makes it difficult for callers to transfer a specific amount of native assets.

Figure 7.1 shows the lock function, which deducts the settlementFee from the amount to be bridged. A more user-friendly way of doing this would be to add an argument to the lock function called amount that indicates the exact amount to bridge. In the body of the function, a check is then performed that ensures that the difference between msg.value and amount is exactly the settlementFee.

```
37
      function lock() public payable {
38
          uint256 fee = bridge.settlementFee();
39
          uint256 lockingValue = msg.value;
40
          // Charge the fee only if the user has no balance in current state
41
          if (!state.hasBalance(msg.sender)) {
42
43
              if (msg.value < fee) {</pre>
44
                  revert InsufficientFunds(fee, lockingValue);
45
46
              lockingValue -= fee;
          }
47
48
49
          if (lockingValue == 0) {
50
              revert ZeroValueCall();
51
          state.addAmount(msg.sender, lockingValue);
52
53
          emit Locked(msg.sender, lockingValue);
54
      }
```

Figure 7.1: The lock function in NativeConnectorLogic.sol#L37-L54

#### Recommendations

Short term, replace the existing deduct-fee-from-msg.value with an amount argument in the lock function and a check: require(msg.value - amount == settlementFee).

Long term, design functions so that they are simple and easy to use for external parties. This improves the usability and prevents confusion for integrators.

# A. Vulnerability Categories

The following tables describe the vulnerability categories, severity levels, and difficulty levels used in this document.

Vulnerability Categories		
Category	Description	
Access Controls	Insufficient authorization or assessment of rights	
Auditing and Logging	Insufficient auditing of actions or logging of problems	
Authentication	Improper identification of users	
Configuration	Misconfigured servers, devices, or software components	
Cryptography	A breach of system confidentiality or integrity	
Data Exposure	Exposure of sensitive information	
Data Validation	Improper reliance on the structure or values of data	
Denial of Service	A system failure with an availability impact	
Error Reporting	Insecure or insufficient reporting of error conditions	
Patching	Use of an outdated software package or library	
Session Management	Improper identification of authenticated users	
Testing	Insufficient test methodology or test coverage	
Timing	Race conditions or other order-of-operations flaws	
Undefined Behavior	Undefined behavior triggered within the system	

Severity Levels		
Severity	Description	
Informational	The issue does not pose an immediate risk but is relevant to security best practices.	
Undetermined	The extent of the risk was not determined during this engagement.	
Low	The risk is small or is not one the client has indicated is important.	
Medium	User information is at risk; exploitation could pose reputational, legal, or moderate financial risks.	
High	The flaw could affect numerous users and have serious reputational, legal, or financial implications.	

Difficulty Levels		
Difficulty	Description	
Undetermined	The difficulty of exploitation was not determined during this engagement.	
Low	The flaw is well known; public tools for its exploitation exist or can be scripted.	
Medium	An attacker must write an exploit or will need in-depth knowledge of the system.	
High	An attacker must have privileged access to the system, may need to know complex technical details, or must discover other weaknesses to exploit this issue.	

### **B. Code Quality Recommendations**

The following recommendations are not associated with any specific vulnerabilities. However, they will enhance code readability and may prevent the introduction of vulnerabilities in the future.

Remove the integer increment before the revert call. There is no added benefit
to doing an integer increment if the operation after it is always a revert. Instead,
save some gas by skipping the increment and simply executing the revert.

Figure B.1: Excerpt from the applyState function in BridgeBase.sol#L202-L207

• Use address.code.length instead of the custom isContract function. Since Solidity 0.8.0, the address.code member is available. To get the size of the code at an address, use address.code.length. Since Solidity 0.8.1, the address.code.length operation uses extcodesize under the hood instead of copying all the code before checking the length, which is very gas inefficient. We therefore recommend directly using address.code.length and removing the isContract function.

```
function isContract(address addr) internal view returns (bool) {
    uint256 size;
    assembly {
        size := extcodesize(addr)
    }
    return size > 0;
}
```

Figure B.2: The isContract function in BridgeBase.sol#L130-L136

• Normalize the EthBridge and TaraBridge files. Both of these files contain initialize functions and they both serve the same purpose, although on a different chain. We recommend normalizing the initialization function setup (i.e., also using an unchained function in the TaraBridge contract).

```
8 contract EthBridge is BridgeBase {
9 function initialize(
10 IBridgeLightClient _lightClient,
11 uint256 _finalizationInterval,
12 uint256 _feeMultiplier,
```

```
13
               uint256 _registrationFee,
14
               uint256 _settlementFee
15
           ) public initializer {
16
               __initialize_EthBridge_unchained(
                   _lightClient, _finalizationInterval, _feeMultiplier,
17
_registrationFee, _settlementFee
18
               ):
19
           }
20
21
           function __initialize_EthBridge_unchained(
22
               IBridgeLightClient _lightClient,
23
               uint256 _finalizationInterval,
               uint256 _feeMultiplier.
24
25
               uint256 _registrationFee,
26
               uint256 _settlementFee
27
           ) internal onlyInitializing {
               __BridgeBase_init(_lightClient, _finalizationInterval,
_feeMultiplier, _registrationFee, _settlementFee);
29
30
      }
```

Figure B.3: The EthBridge contract in EthBridge.sol#L8-L30

```
7
       contract TaraBridge is BridgeBase {
 8
           function initialize(
 9
               IBridgeLightClient _lightClient,
10
               uint256 _finalizationInterval,
11
               uint256 _feeMultiplier,
12
               uint256 _registrationFee,
               uint256 _settlementFee
13
14
           ) public initializer {
15
               __BridgeBase_init(_lightClient, _finalizationInterval,
_feeMultiplier, _registrationFee, _settlementFee);
16
17
       }
```

Figure B.4: The TaraBridge contract in TaraBridge.sol#L7-L17

• **Fix incorrect comment in BridgeBase.** The connectors mapping is a mapping from *source* (or *destination*, depending on how you look at it when bridging) addresses to connector addresses.

```
/// Mapping of connectors to their source and destination addresses
mapping(address => IBridgeConnector) public connectors;
```

Figure B.5: The connectors variable in BridgeBase.sol#L25-L26

• Remove the variable and directly return false. This code could be simplified by removing the shouldFinalize variable and directly returning false after the loop. Alternatively, since the default value of a Boolean is false, this could be done by altogether skipping the return false, which would implicitly return false.

```
function shouldFinalizeEpoch() public view returns (bool) {
   bool shouldFinalize = false;
   for (uint256 i = 0; i < tokenAddresses.length; i++) {
      if (!connectors[tokenAddresses[i]].isStateEmpty()) {
        return true;
      }
   }
   return shouldFinalize;
}</pre>
```

Figure B.6: The shouldFinalizeEpoch function in BridgeBase.sol#L231-L239

• Rename the registerContract function to registerConnector. This name more clearly describes what the function does.

```
142 function registerContract(IBridgeConnector connector) public payable {
```

Figure B.7: The signature of the registerContract function in BridgeBase.sol#L142

#### C. Fix Review Results

When undertaking a fix review, Trail of Bits reviews the fixes implemented for issues identified in the original report. This work involves a review of specific areas of the source code and system configuration, not comprehensive analysis of the system.

On August 9, 2024, Trail of Bits reviewed the fixes and mitigations implemented by the Taraxa team for the issues identified in this report. We reviewed each fix to determine its effectiveness in resolving the associated issue.

In summary, Taraxa has resolved all seven issues.

ID	Title	Status
1	Lack of safeTransfer usage for ERC20	Resolved
2	The add() function can revert	Resolved
3	G1 and G2 from() method lack field point validation	Resolved
4	Missing validation allows signatures to be duplicated to finalize any PillarBlock	Resolved
5	Incorrect mapping key used in validation inside registerContract	Resolved
6	Reentrancy in applyState can lead to breaking the contract and stealing hook-enabled tokens	Resolved
7	Confusing application of settlementFee to locking native assets	Resolved

#### **Detailed Fix Review Results**

#### **TOB-TARA-1: lack of safeTransfer usage for ERC20**

Resolved in commit 8897359. The transfer call has been replaced with a safeTransfer call.

#### TOB-TARA-2: The add() function can revert

Resolved in commit c905118. A special case was added to handle type(int256).min. Additionally, tests were added for the Maths.sol library.

#### TOB-TARA-3: G1 and G2 from() method lacks field point validation

Resolved in commit 034d004. The implementation was updated to call is\_valid on each of the BLS12Fp points.

# TOB-TARA-4: Missing validation allows signatures to be duplicated to finalize any PillarBlock

Resolved in commit dd50260. The implementation has been updated to enforce passing in the signatures (CompactSignature[]) sorted descending based on the CompactSignature.r value. This prevents duplicate signatures from being allowed.

#### TOB-TARA-5: Incorrect mapping key used in validation inside registerContract

Resolved in commit 43292b0. The incorrect check has been removed from the implementation. No new check needed to be added since the correct check already was present further down inside the same function.

# TOB-TARA-6: Reentrancy in applystate can lead to breaking the contract and stealing hook-enabled tokens

Resolved in commit df9e7f3. The appliedEpoch increment has been moved before the external call. Therefore, the described reentrancy issue is no longer possible.

#### TOB-TARA-7: Confusing application of settlementFee to locking native assets

Resolved in commit cc6b08f. An amount argument was added to the function to allow the caller to exactly specify which amount he wants to bridge.

