



CERTIK

Dollar-Protocol

Security Assessment

January 22th, 2021

For :

Dollar-Protocol

By :

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- Representation that a Client of CertiK has indeed completed a round of auditing with the intention to increase the quality of the company/product's IT infrastructure and or source code.



Overview

Project Summary

| | |
|---------------------|---|
| Project Name | Dollar-Protocol |
| Description | Dollar Protocol is a suite of decentralized algorithmic synthetic assets (USD, EUR, YUAN) that are governed by Share holders. |
| Platform | Ethereum; Solidity, Yul |
| Codebase | GitHub Repository |
| Commits | 1. ab1fbc40f2d4075a81ab2bfc4c8f7e5ecc46a1b4 2. 6b78233ba5c4f4fdd4b7481cc4c99d8b6222a06b |

Audit Summary

| | |
|----------------------------|--|
| Delivery Date | January 22th, 2021 |
| Method of Audit | Static Analysis, Manual Review |
| Consultants Engaged | 2 |
| Timeline | January 5th, 2021 - January 11th, 2021 |

Vulnerability Summary

| | |
|----------------------------|-----------|
| Total Issues | 40 |
| Total Critical | 0 |
| Total Major | 4 |
| Total Medium | 11 |
| Total Minor | 5 |
| Total Informational | 20 |



Executive Summary

We were tasked with auditing the Dollar Protocol codebase and particularly the governance, timelock and seigniorage share mechanisms.

The project is loosely derived from various de-facto standard projects, such as Compound and Yarn, with certain novel features introduced such as a new staking mechanism and variable adaptations.

Overall code quality is acceptable, however, there are quite a few areas where it can improve and become more aligned with the latest standards in the industry. For example, the project utilizes a custom mutex implementation whereas battle-tested contracts such as the

`ReentrancyGuard.sol` by OpenZeppelin could have been used instead as the custom implementation does not bring novelty.

The dependencies of the codebase are relatively outdated and our advice is to upgrade them as they are no longer formally supported. Additionally, the protocol appears to heavily utilize the `onlyOwner` modifier in certain parameter tuning functions that can reduce or render obsolete the decentralization of the protocol which should be clearly conveyed to its users.

The documentation of the project was adequate and we verified the code's accordance with the facts laid out in the said documentation.

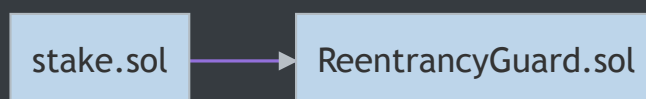
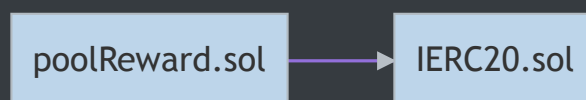
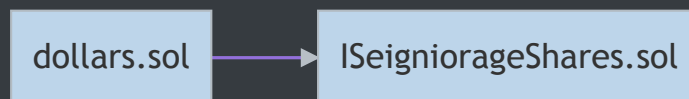
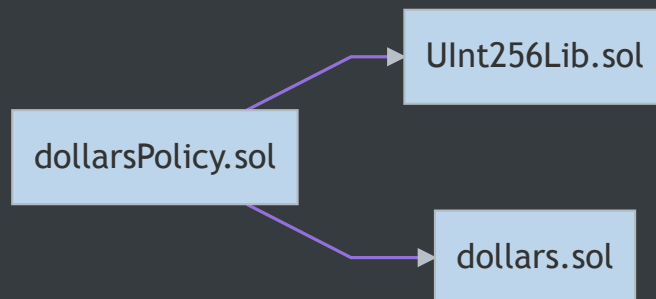
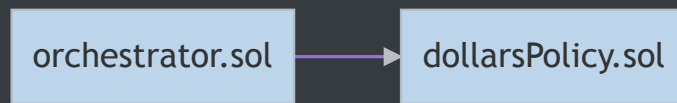


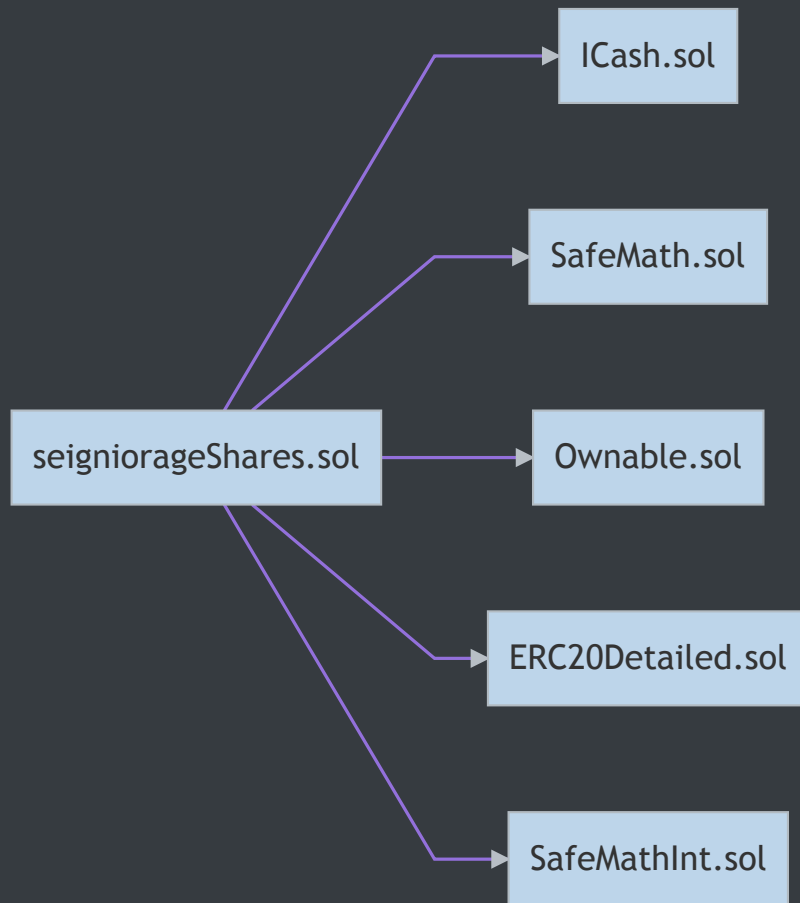
Files In Scope

| ID | Contract | Location |
|-----|-----------------------------|--|
| ICH | ICash.sol | <u>contracts/interface/ICash.sol</u> |
| ISS | ISigniorageShares.sol | <u>contracts/interface/ISigniorageShares.sol</u> |
| SMI | SafeMathInt.sol | <u>contracts/lib/SafeMathInt.sol</u> |
| UIL | UInt256Lib.sol | <u>contracts/lib/UInt256Lib.sol</u> |
| BON | bond.sol | <u>contracts/bond.sol</u> |
| DOL | dollars.sol | <u>contracts/dollars.sol</u> |
| DOA | dollarsPolicy.sol | <u>contracts/dollarsPolicy.sol</u> |
| DOR | dollarTimelock.sol | <u>contracts/dollarTimelock.sol</u> |
| ORC | orchestrator.sol | <u>contracts/orchestrator.sol</u> |
| POO | poolReward.sol | <u>contracts/poolReward.sol</u> |
| STA | stake.sol | <u>contracts/stake.sol</u> |
| SEI | signiorageShares.sol | <u>contracts/signiorageShares.sol</u> |
| GAA | signiorageGovernorAlpha.sol | <u>contracts/signiorageGovernorAlpha.sol</u> |



File Dependency Graph (BETA)

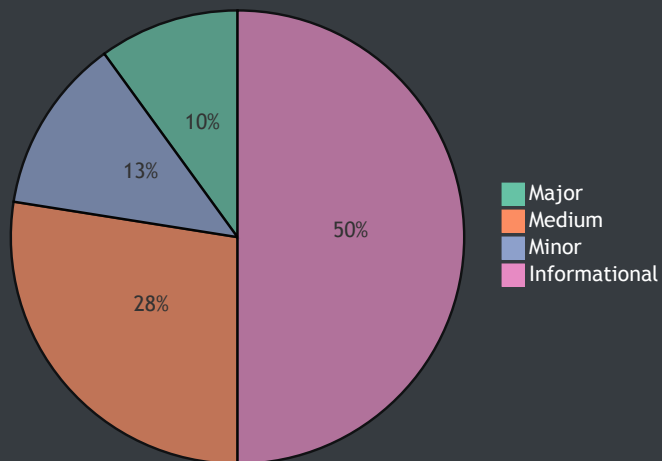






Findings



Finding Summary



| ID | Title | Type | Severity | Resolved |
|---------------|---|-------------------|---------------|----------|
| <u>BON-01</u> | Unlocked Compiler Version | Language Specific | Informational | |
| <u>BON-02</u> | Unchecked value from low-level call | Volatile Code | Medium | |
| <u>BON-03</u> | Ignores return value of external function call | Volatile Code | Minor | |
| <u>BON-04</u> | Owner has too much power over widely used variables | Control Flow | Medium | |
| <u>BON-05</u> | Lacks input validation on address | Volatile Code | Medium | |

| | | | | |
|---------------|--|-------------------------|---------------|----|
| <u>BON-06</u> | Unused state variables | Dead Code | Informational | ✓ |
| <u>DOL-01</u> | Unlocked Compiler Version | Language Specific | Informational | ⚠️ |
| <u>DOL-02</u> | Redundant Statements | Dead Code | Informational | ✓ |
| <u>DOL-03</u> | Create a modifier for used require statement | Coding Style | Informational | ⚠️ |
| <u>DOL-04</u> | Owner has to much power over widely used variables | Control Flow | Medium | ✓ |
| <u>DOL-05</u> | Own implementation of nonReentrant modifier | Coding Style | Minor | ⚠️ |
| <u>DOL-06</u> | Lack of require check for mutex on rebase() function | Control Flow | Major | ✓ |
| <u>DOL-07</u> | Unchecked value from low-level call | Volatile Code | Medium | ⚠️ |
| <u>DOL-08</u> | Redundant if statements | Language Specific | Informational | ✓ |
| <u>DOL-09</u> | SafeMath is not used | Mathematical Operations | Minor | ✓ |
| <u>DOA-01</u> | Unlocked Compiler Version | Language Specific | Informational | ⚠️ |
| <u>DOA-02</u> | Never initialized variables | Dead Code | Minor | ✓ |
| <u>DOA-03</u> | Redundant Statements | Dead Code | Informational | ✓ |
| <u>DOA-04</u> | Owner has to much power over widely used variables | Control Flow | Medium | ✓ |
| <u>DOA-05</u> | Redundant boolean value check | Gas Optimization | Informational | ✓ |
| <u>DOA-</u> | Typo in require error message | Coding Style | Informational | |

| | | | | |
|---------------|--|-------------------------|---------------|---|
| <u>06</u> | | | | ✓ |
| <u>DOA-07</u> | orchestrator address is never set | Volatile Code | Major | ✓ |
| <u>DOA-08</u> | Lack of input validation | Volatile Code | Medium | ✓ |
| <u>ORC-01</u> | Lack of input validation | Volatile Code | Medium | ⚠ |
| <u>POO-01</u> | Unlocked Compiler Version | Language Specific | Informational | ⚠ |
| <u>POO-02</u> | Lack of input validation | Volatile Code | Medium | ✓ |
| <u>POO-03</u> | Unused variables | Dead Code | Informational | ✓ |
| <u>POO-04</u> | Free gain of pool tokens | Volatile Code | Major | ✓ |
| <u>POO-05</u> | Owner has to much power over widely used variables | Control Flow | Medium | ✓ |
| <u>SEI-01</u> | Unlocked Compiler Version | Language Specific | Informational | ⚠ |
| <u>SEI-02</u> | Unused variables | Dead Code | Informational | ✓ |
| <u>SEI-03</u> | Potential for Overflow/Underflow | Mathematical Operations | Minor | ✓ |
| <u>SEI-04</u> | Cross-chain replay attack | Volatile Code | Major | ✓ |
| <u>STA-01</u> | Unlocked Compiler Version | Language Specific | Informational | ⚠ |
| <u>STA-02</u> | Lacks input validation on address | Volatile Code | Medium | ✓ |
| <u>ICH-01</u> | Unlocked Compiler Version | Language Specific | Informational | ⚠ |

| | | | | |
|--------------------------|---------------------------|----------------------|---------------|---|
| <u>ISS-</u> <u>01</u> | Unlocked Compiler Version | Language Specific | Informational |  |
| <u>SMI-</u> <u>01</u> | Unlocked Compiler Version | Language Specific | Informational |  |
| <u>UIL-</u> <u>01</u> | Unlocked Compiler Version | Language Specific | Informational |  |
| <u>DOR-</u> <u>01</u> | Unlocked Compiler Version | Language Specific | Informational |  |



BON-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|-----------------------------|
| Language Specific | Informational | bond.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



BON-02: Unchecked value from low-level call

| Type | Severity | Location |
|---------------|----------|-------------------------------|
| Volatile Code | Medium | bond.sol L262 |

Description:

Ignores return value by `ethBondOracle.call(abi.encodeWithSignature('update()'));`

Recommendation:

If you choose to use the low-level call methods, make sure to handle the possibility that the call will fail, by checking the return value.

```
(bool success, ) = someAddress.call.value(55)("");
if(!success) {
    // handle failure code
}
```

Alleviation:

Issue was resolved



BON-03: Ignores return value of external function call

| Type | Severity | Location |
|---------------|----------|-------------------------------|
| Volatile Code | Minor | bond.sol L261 |

Description:

`Dollars.claimDividends(account);` returns a value that is ignored and not acted upon.

Recommendation:

Return value of `claimDividends()` shouldn't be ignored. If any reason to call that function was to invoke the logic of `updateAccount` modifier, then that modifier should be made into the function and be called explicitly.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



BON-04: Owner has too much power over widely used variables

| Type | Severity | Location |
|--------------|----------|------------------------------------|
| Control Flow | Medium | bond.sol L113-L123 |

Description:

Owner can set any values he wants using functions `setClaimableUSD` , `setConstantClaimableUSD` , `setEthBondOracle` .

This causes centralization issue on concern.

Recommendation:

Mentioned functions should be called by governance and values of these variables should be set during initialization phase, specially the address of the Oracle.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "we plan on removing references to Deployer address after full decentralization - giving our compound governor the admin keys to the upgradeable contracts"



BON-05: Lacks input validation on address

| Type | Severity | Location |
|---------------|----------|--|
| Volatile Code | Medium | bond.sol L121 , L125 , L133 , L137 , L42 |

Description:

Functions doesn't checks provided address.

Recommendation:

Check that the address is not zero. You could utilize already created modifier `validRecipient` but it should be then renamed to reflect the functionality.

Alleviation:

Issue partially resolved as there isn't still an input validation on initialize function



BON-06: Unused state variables

| Type | Severity | Location |
|-----------|---------------|--|
| Dead Code | Informational | bond.sol L22 , L25 |

Description:

Linked variables are unused.

Recommendation:

Remove unused state variable.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "these are variables from a previous proxy so we cannot remove them"



DOL-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|--------------------------------|
| Language Specific | Informational | dollars.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



DOL-02: Redundant Statements

| Type | Severity | Location |
|-----------|---------------|---|
| Dead Code | Informational | <u>dollars.sol L107</u> , <u>L126-L129</u> , <u>L69</u> |

Description:

The linked statements do not affect the functionality of the codebase and appear to be either leftovers from test code or older functionality.

Recommendation:

We advise that they are removed to better prepare the code for production environments.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "these are variables from a previous proxy so we cannot remove them"



DOL-03: Create a modifier for used require statement

| Type | Severity | Location |
|--------------|---------------|---|
| Coding Style | Informational | dollars.sol L183 , L194 , L160 , L165 |

Description:

`msg.sender == timelock` is used multiple times across the file and could be used in its own modifier for cleaner code.

Recommendation:

Create a modifier for `msg.sender == timelock` for cleaner code

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



DOL-04: Owner has too much power over widely used variables

| Type | Severity | Location |
|--------------|----------|---|
| Control Flow | Medium | dollars.sol L173 , L201 , L205 , L284 |

Description:

Owner can set any values he wants using linked functions. This causes centralization issue and concern

Recommendation:

Mentioned functions should be called by governance and values of these variables should be set during initialization phase, specially the addresses.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "we plan on removing references to Deployer address after full decentralization - giving our compound governor the admin keys to the upgradeable contracts"



DOL-05: Own implementation of nonReentrant modifier

| Type | Severity | Location |
|--------------|----------|--|
| Coding Style | Minor | dollars.sol L210 , L234 , L316 |

Description:

Function doesn't use OpenZeppelin `nonReentrant` modifier where other contracts do use it. Instead own implementation of mutex is introduced.

Recommendation:

We recommend using `openzeppelin-eth/contracts/utils/ReentrancyGuard.sol` that is already used by other contracts.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



DOL-06: Lack of require check for mutex on rebase() function

| Type | Severity | Location |
|--------------|----------|----------------------------------|
| Control Flow | Major | dollars.sol L322 |

Description:

`rebase()` lacks require function to check for mutex against reentrancy attack.

Recommendation:

Should add `require(!reEntrancyMutex, "dp::reentrancy");` in current implementation but as mentioned in other finding, we recommend using `nonReentrant` modifier found in `openzeppelin-eth/contracts/utils/ReentrancyGuard.sol`; .

Alleviation:

Issue resolved



DOL-07: Unchecked value from low-level call

| Type | Severity | Location |
|---------------|----------|---|
| Volatile Code | Medium | dollars.sol L307 , L371 |

Description:

Ignores return value of uniswap low-level calls.

Recommendation:

If you choose to use the low-level call methods, make sure to handle the possibility that the call will fail, by checking the return value.

```
(bool success, ) = someAddress.call.value(55)("");  
    if(!success) {  
        // handle failure code  
    }
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



DOL-08: Redundant if statements

| Type | Severity | Location |
|-------------------|---------------|---|
| Language Specific | Informational | dollars.sol L444 , L472 |

Description:

If statement is unnecessary as following `safeMath.sub` operation will throw error and revert, avoiding underflow

Recommendation:

Remove the if statement

Alleviation:

Issue resolved



DOL-09: SafeMath is not used

| Type | Severity | Location |
|-------------------------|----------|---|
| Mathematical Operations | Minor | dollars.sol L581 , L592 |

Description:

SafeMath from OpenZeppelin is not used on this two instances making it possible for overflow/underflow

Recommendation:

Use SafeMath library for all of the uint256 operations.

Alleviation:

Issue resolved



DOA-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|---|
| Language Specific | Informational | <u>dollarsPolicy.sol L1</u> |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



DOA-02: Never initialized variables

| Type | Severity | Location |
|-----------|----------|--|
| Dead Code | Minor | <u>dollarsPolicy.sol L54-L55</u> |

Description:

Two linked variables are never initialized.

Recommendation:

Initliaze linked variables in the `initialize` function after deployment or create functions where governance can set it.

Alleviation:

Issue resolved



DOA-03: Redundant Statements

| Type | Severity | Location |
|-----------|---------------|--|
| Dead Code | Informational | <u>dollarsPolicy.sol L72-L73</u> |

Description:

The linked statements do not affect the functionality of the codebase and appear to be either leftovers from test code or older functionality.

Recommendation:

We advise that they are removed to better prepare the code for production environments.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "these are variables from a previous proxy so we cannot remove them"



DOA-04: Owner has too much power over widely used variables

| Type | Severity | Location |
|--------------|----------|---|
| Control Flow | Medium | <u>dollarsPolicy.sol L93</u> , <u>L218-L230</u> |

Description:

Owner can set any values he wants using linked functions. This causes centralization issue and concern

Recommendation:

Mentioned functions should be called by governance and values of these variables should be set during initialization phase, specially the addresses.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "we plan on removing references to Deployer address after full decentralization - giving our compound governor the admin keys to the upgradeable contracts"



DOA-05: Redundant boolean value check

| Type | Severity | Location |
|------------------|---------------|--|
| Gas Optimization | Informational | dollarsPolicy.sol L109 |

Description:

Redundant boolean value check inside require.

Recommendation:

For gas optimization we recommend using sole variable in require statement, not comparing it to another bool value

Alleviation:

Issue resolved



DOA-06: Typo in require error message

| Type | Severity | Location |
|--------------|---------------|--|
| Coding Style | Informational | dollarsPolicy.sol L108 |

Description:

There is a typo in `require` message.

Recommendation:

it should be `OUTSIDE_REBASE` not `OUTISDE_REBASE`

Alleviation:

Issue resolved



DOA-07: orchestrator address is never set

| Type | Severity | Location |
|---------------|----------|---------------------------------------|
| Volatile Code | Major | dollarsPolicy.sol L62 |

Description:

`orchestrator` variable is never set and is used in `only0rchestrator` modifier which is used in `rebase` function, marking it not usable at this point.

Recommendation:

Initialize `orchestrator` in `initialize` function or create seperate function for governance to set it.

Alleviation:

Issue resolved



DOA-08: Lack of input validation

| Type | Severity | Location |
|---------------|----------|---|
| Volatile Code | Medium | dollarsPolicy.sol L256 , L218 , L222 , L226 , L230 , L205 , L93 |

Description:

Functions doesn't checks provided address.

Recommendation:

Check that the address is not zero.

Alleviation:

Issue resolved apart from L205, initializeOracles() function



ORC-01: Lack of input validation

| Type | Severity | Location |
|---------------|----------|---|
| Volatile Code | Medium | <u>orchestrator.sol L50</u> |

Description:

Functions doesn't checks provided address.

Recommendation:

Check that the address is not zero.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



POO-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|-----------------------------------|
| Language Specific | Informational | poolReward.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



POO-02: Lack of input validation

| Type | Severity | Location |
|---------------|----------|---|
| Volatile Code | Medium | <u>poolReward.sol</u> <u>L75</u> , <u>L87</u> , <u>L102</u> , <u>L126</u> , <u>L222</u> |

Description:

Functions doesn't checks provided address.

Recommendation:

Check that the address is not zero.

Alleviation:

Issue resolved



POO-03: Unused variables

| Type | Severity | Location |
|-----------|---------------|--|
| Dead Code | Informational | poolReward.sol L131-L133 |

Description:

`poolAllocPoint` and `dollarShareBalance` are not used in the function.

Recommendation:

Remove unnecessary variables

Alleviation:

Issue resolved



POO-04: Free gain of pool tokens

| Type | Severity | Location |
|---------------|----------|---|
| Volatile Code | Major | <u>poolReward.sol L165-L198</u> |

Description:

During `withdraw` function execution, if `lpToken` is type of a token that notifies the `msg.sender` of succesfull token transfer, like ERC777 which is ERC20 compliant, user could make a call to the `deposit()` function before `resetuser()` would be called.

This means whatever pool tokens malicious actor have just withdrawn, could deposit again without his account info be updated and to the protocol he would only gain tokens.

Recommendation:

It is recommended to follow [checks-effects-interactions pattern](#) for cases like this. It shields public functions from re-entrancy attacks. It's always a good practice to follow this pattern. `checks-effects-interactions` pattern also applies to ERC20 tokens as they can inform the recipient of a transfer in certain implementations.

Alleviation:

Issue resolved



POO-05: Owner has too much power over widely used variables

| Type | Severity | Location |
|--------------|----------|------------------------------------|
| Control Flow | Medium | poolReward.sol L75 |

Description:

Owner can set any values he wants using linked functions. This causes centralization issue and concern

Recommendation:

Mentioned functions should be called by governance and values of these variables should be set during initialization phase, specially the addresses.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "we plan on removing references to Deployer address after full decentralization - giving our compound governor the admin keys to the upgradeable contracts"



SEI-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|--|
| Language Specific | Informational | seigniorageShares.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



SEI-02: Unused variables

| Type | Severity | Location |
|-----------|---------------|---|
| Dead Code | Informational | <u>seigniorageShares.sol</u> <u>L64</u> , <u>L65</u> , <u>L68</u> |

Description:

Linked variables are unused

Recommendation:

Remove unused state variable.

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase. Client comment: "these are variables from a previous proxy so we cannot remove them"



SEI-03: Potential for Overflow/Underflow

| Type | Severity | Location |
|-------------------------|----------|--|
| Mathematical Operations | Minor | seigniorageShares.sol L196, L197 , L206 , L222 |

Description:

Raw mathematical operations should be replaced with the respective SafeMath function to prevent overflow/underflow.

Recommendation:

It's always recommended to use SafeMath's functions for any arithmetic operations.

Alleviation:

Issue resolved



SEI-04: Cross-chain replay attack

| Type | Severity | Location |
|---------------|----------|--|
| Volatile Code | Major | seigniorageShares.sol L560 |

Description:

The `delegateBySig` function of the contract utilizes the `chainid` variable acquired from `getChainId()` which returns always 1 f.e. the `chainid` of the current Ethereum chain is 1 if a fork occurs, the new chain will have a different `chainid` than that of Ethereum. The `PERMIT_TYPEHASH` uses the `chainid` variable within it to prevent a permit from being replayed on both the main chain and the side chain however, as the `chainid` is evaluated once during construction, the contracts of the main chain and the forked chain will have the same `PERMIT_TYPEHASH` thus allowing the attacker to use the permit function on both chains whereas it should have only been used on one chain.

Recommendation:

To guard contract from this type of attack it is recommended to change `getChainId()` function to look like this:

```
function getChainId() internal pure returns (uint) {
    uint256 chainId;
    assembly { chainId := chainid() }
    return chainId;
}
```

Alleviation:

Issue resolved



STA-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|------------------------------|
| Language Specific | Informational | stake.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:
`pragma solidity 0.6.2;`

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



STA-02: Lacks input validation on address

| Type | Severity | Location |
|---------------|----------|--|
| Volatile Code | Medium | stake.sol L33 , L88 , L99 , L106 |

Description:

Functions doesn't checks provided address.

Recommendation:

Check that the address is not zero. You could utilize already created modifier `validRecipient` but it should be then renamed to reflect the functionality.

Alleviation:

Issue resolved but `initialize()` function stil lacks input validation



ICH-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|------------------------------|
| Language Specific | Informational | ICash.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



ISS-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|---|
| Language Specific | Informational | ISeigniorageShares.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



SMI-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|------------------------------------|
| Language Specific | Informational | SafeMathInt.sol L1 |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



UIL-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|--------------------------|
| Language Specific | Informational | <u>UInt256Lib.sol L1</u> |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.



DOR-01: Unlocked Compiler Version

| Type | Severity | Location |
|-------------------|---------------|--|
| Language Specific | Informational | <u>dollarTimelock.sol L1</u> |

Description:

The contract has unlocked compiler version. An unlocked compiler version in the source code of the contract permits the user to compile it at or above a particular version. This, in turn, leads to differences in the generated bytecode between compilations due to differing compiler version numbers. This can lead to an ambiguity when debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span of multiple compiler versions rather than a specific one.

Recommendation:

We advise that the compiler version is instead locked at the lowest version possible that the contract can be compiled at. For example, for version `v0.6.2` the contract should contain the following line:

```
pragma solidity 0.6.2;
```

Alleviation:

The Dollar-Protocol development team has acknowledged this exhibit but decided to not apply its remediation in the current version of the codebase.

Appendix

Finding Categories

Gas Optimization

Gas Optimization findings refer to exhibits that do not affect the functionality of the code but generate different, more optimal EVM opcodes resulting in a reduction on the total gas cost of a transaction.

Mathematical Operations

Mathematical Operation exhibits entail findings that relate to mishandling of math formulas, such as overflows, incorrect operations etc.

Logical Issue

Logical Issue findings are exhibits that detail a fault in the logic of the linked code, such as an incorrect notion on how `block.timestamp` works.

Control Flow

Control Flow findings concern the access control imposed on functions, such as owner-only functions being invoke-able by anyone under certain circumstances.

Volatile Code

Volatile Code findings refer to segments of code that behave unexpectedly on certain edge cases that may result in a vulnerability.

Data Flow

Data Flow findings describe faults in the way data is handled at rest and in memory, such as the result of a `struct` assignment operation affecting an in-memory `struct` rather than an in-storage one.

Language Specific

Language Specific findings are issues that would only arise within Solidity, i.e. incorrect usage of `private` or `delete`.

Coding Style

Coding Style findings usually do not affect the generated byte-code and comment on how to make the codebase more legible and as a result easily maintainable.

Inconsistency

Inconsistency findings refer to functions that should seemingly behave similarly yet contain different code, such as a `constructor` assignment imposing different `require` statements on the input variables than a setter function.

Magic Numbers

Magic Number findings refer to numeric literals that are expressed in the codebase in their raw format and should otherwise be specified as `constant` contract variables aiding in their legibility and maintainability.

Compiler Error

Compiler Error findings refer to an error in the structure of the code that renders it impossible to compile using the specified version of the project.

Dead Code

Code that otherwise does not affect the functionality of the codebase and can be safely omitted.