

# SMART CONTRACT

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## Security Audit Report

Project:	QURAC Token
Website:	qurac.io
Platform:	Ethereum
Language:	Solidity
Date:	May 3rd, 2024

# Table of contents

Introduction .....	4
Project Background .....	4
Audit Scope .....	5
Claimed Smart Contract Features .....	6
Audit Summary .....	7
Technical Quick Stats .....	8
Business Risk Analysis .....	9
Code Quality .....	10
Documentation .....	10
Use of Dependencies .....	10
AS-IS overview .....	11
Severity Definitions .....	12
Audit Findings .....	13
Conclusion .....	15
Our Methodology .....	16
Disclaimers .....	18
Appendix	
• Code Flow Diagram .....	19
• Slither Results Log .....	20
• Solidity static analysis .....	21
• Solhint Linter .....	22

THIS IS SECURITY AUDIT REPORT DOCUMENT AND WHICH MAY CONTAIN INFORMATION WHICH IS CONFIDENTIAL. WHICH INCLUDES ANY POTENTIAL VULNERABILITIES AND MALICIOUS CODES WHICH CAN BE USED TO EXPLOIT THE SOFTWARE. THIS MUST BE REFERRED INTERNALLY AND ONLY SHOULD BE MADE AVAILABLE TO THE PUBLIC AFTER ISSUES ARE RESOLVED.

# Introduction

EtherAuthority was contracted by the QURAC team to perform the Security audit of the QURAC Token smart contract code. The audit has been performed using manual analysis as well as using automated software tools. This report presents all the findings regarding the audit performed on May 3rd, 2024.

**The purpose of this audit was to address the following:**

- Ensure that all claimed functions exist and function correctly.
- Identify any security vulnerabilities that may be present in the smart contract.

## Project Background

- The QURAC contract includes a constructor function that initializes the token with the name "QURAC", symbol "QURAC", and an initial total supply of 1 billion tokens.
- Here's a breakdown of what each part does:
  - **Interface Definitions:** This contract has defined interfaces for standard ERC20 errors, ERC721 errors, and ERC1155 errors, which is great for clarity and readability.
  - **Context Contract:** This contract provides information about the current execution context, including the sender of the transaction and its data. It's a standard part of many contracts.
  - **ERC20 Contract:** ERC20 contract implementation covers all the required functions specified in the ERC20 standard, such as name, symbol, decimals, totalSupply, balanceOf, transfer, allowance, approve, and transferFrom. Additionally, you've implemented error handling for various scenarios like insufficient balance, invalid sender/receiver, insufficient allowance, etc.
  - **ERC20 Metadata:** This contract has implemented an interface for the optional metadata functions from the ERC20 standard, which includes name, symbol, and decimals.
  - **QURAC Contract:** This contract provides a standard implementation of an ERC20 token named "QURAC" with a total supply of 1 billion tokens. Users can transfer tokens, approve spending, and check balances using the provided functions.

# Audit scope

Name	Code Review and Security Analysis Report for QURAC Token Smart Contract
Platform	Ethereum
Language	Solidity
File	QURAC.sol
Smart Contract Code	<a href="#">0x3c1872c0f9d3a5c54667da49615649e0ed3ea5fe</a>
Github commit hash	<a href="#">77b9d4ed973478679fefbc1ac10baf4922c5b7b5</a>
Audit Date	May 3rd, 2024

## Claimed Smart Contract Features

Claimed Feature Detail	Our Observation
<b>Tokenomics:</b> <ul style="list-style-type: none"><li>• Name: QURAC</li><li>• Symbol: QURAC</li><li>• Decimals: 18</li><li>• Total supply of 1 billion tokens.</li></ul>	<b>YES, This is valid.</b>
<b>Ownership Control:</b> <ul style="list-style-type: none"><li>• There are no owner functions, which makes it 100% decentralized.</li></ul>	<b>YES, This is valid.</b>
<b>QURAC Token Features:</b> <ul style="list-style-type: none"><li>• Users can transfer tokens to other addresses using the transfer function.</li><li>• Users can approve other addresses to spend tokens on their behalf using the approve function.</li><li>• Users can transfer tokens on behalf of another address if allowed using the transferFrom function.</li></ul>	<b>YES, This is valid.</b>

## Audit Summary

According to the standard audit assessment, Customer's solidity based smart contracts are **"Secured"**. This token contract does not have any ownership control, hence it is **100% decentralized**.



We used various tools like Slither, Solhint and Remix IDE. At the same time this finding is based on critical analysis of the manual audit.

All issues found during automated analysis were manually reviewed and applicable vulnerabilities are presented in the Audit overview section. General overview is presented in AS-IS section and all identified issues can be found in the Audit overview section.

**We found 0 critical, 0 high, 0 medium and 0 low and 1 very low level issues.**

**All the issues are resolved / acknowledged in the final revised code.**

**Investors Advice:** Technical audit of the smart contract does not guarantee the ethical nature of the project. Any owner controlled functions should be executed by the owner with responsibility. All investors/users are advised to do their due diligence before investing in the project.

## Technical Quick Stats

Main Category	Subcategory	Result
Contract Programming	Solidity version not specified	Passed
	Solidity version too old	Passed
	Integer overflow/underflow	Passed
	Function input parameters lack of check	Passed
	Function input parameters check bypass	Passed
	Function access control lacks management	Passed
	Critical operation lacks event log	Passed
	Human/contract checks bypass	Passed
	Random number generation/use vulnerability	N/A
	Fallback function misuse	Passed
	Race condition	Passed
	Logical vulnerability	Passed
	Features claimed	Passed
	Other programming issues	Passed
Code Specification	Function visibility not explicitly declared	Passed
	Var. storage location not explicitly declared	Passed
	Use keywords/functions to be deprecated	Passed
	Unused code	Moderated
Gas Optimization	"Out of Gas" Issue	Passed
	High consumption 'for/while' loop	Passed
	High consumption 'storage' storage	Passed
	Assert() misuse	Passed
Business Risk	The maximum limit for mintage not set	Passed
	"Short Address" Attack	Passed
	"Double Spend" Attack	Passed

**Overall Audit Result: PASSED**



## Business Risk Analysis

Category	Result
● Buy Tax	0%
● Sell Tax	0%
● Cannot Buy	No
● Cannot Sell	No
● Max Tax	0%
● Modify Tax	No
● Fee Check	Not Detected
● Is Honeypot	Not Detected
● Trading Cooldown	Not Detected
● Can Pause Trade?	Not Detected
● Pause Transfer?	No
● Max Tax?	No
● Is it Anti-whale?	Not Detected
● Is Anti-bot?	Not Detected
● Is it a Blacklist?	No
● Blacklist Check	No
● Can Mint?	No
● Is it Proxy?	No
● Can Take Ownership?	No
● Hidden Owner?	Not Detected
● Self Destruction?	Not Detected
● Auditor Confidence	High

**Overall Audit Result: PASSED**

## Code Quality

This audit scope has 1 smart contract. Smart contract contains Libraries, Smart contracts, inherits and Interfaces. This is a compact and well written smart contract.

The libraries in QURAC Token are part of its logical algorithm. A library is a different type of smart contract that contains reusable code. Once deployed on the blockchain (only once), it is assigned a specific address and its properties / methods can be reused many times by other contracts in the QURAC Token.

The QURAC team has provided scenario and unit test scripts, which have helped to determine the integrity of the code in an automated way.

Code parts are well commented on in the smart contracts. Ethereum's NatSpec commenting style is recommended.

## Documentation

We were given a QURAC Token smart contract code in the form of an [Etherscan](#) and [github](#) web link.

As mentioned above, code parts are well commented on. And the logic is straightforward. So it is easy to quickly understand the programming flow as well as complex code logic. Comments are very helpful in understanding the overall architecture of the protocol.

## Use of Dependencies

As per our observation, the libraries are used in this smart contract infrastructure that are based on well known industry standard open source projects.

Apart from libraries, its functions are not used in external smart contract calls.

# AS-IS overview

## QURAC.sol

### Functions

Sl.	Functions	Type	Observation	Conclusion
1	constructor	write	Passed	No Issue
2	name	read	Passed	No Issue
3	symbol	read	Passed	No Issue
4	decimals	read	Passed	No Issue
5	totalSupply	read	Passed	No Issue
6	balanceOf	read	Passed	No Issue
7	transfer	write	Passed	No Issue
8	allowance	read	Passed	No Issue
9	approve	write	Passed	No Issue
10	transferFrom	write	Passed	No Issue
11	_transfer	internal	Passed	No Issue
12	update	internal	Passed	No Issue
13	_mint	internal	Passed	No Issue
14	burn	internal	Passed	No Issue
15	_approve	internal	Passed	No Issue
16	_approve	internal	Passed	No Issue
17	_spendAllowance	internal	Passed	No Issue
18	_msgSender	internal	Passed	No Issue
19	_msgData	internal	Unused internal function	Refer Audit Findings
20	_contextSuffixLength	internal	Unused internal function	Refer Audit Findings

## Severity Definitions

Risk Level	Description
<b>Critical</b>	Critical vulnerabilities are usually straightforward to exploit and can lead to token loss etc.
<b>High</b>	High-level vulnerabilities are difficult to exploit; however, they also have significant impact on smart contract execution, e.g. public access to crucial
<b>Medium</b>	Medium-level vulnerabilities are important to fix; however, they can't lead to tokens lose
<b>Low</b>	Low-level vulnerabilities are mostly related to outdated, unused etc. code snippets, that can't have significant impact on execution
<b>Lowest / Code Style / Best Practice</b>	Lowest-level vulnerabilities, code style violations and info statements can't affect smart contract execution and can be ignored.

# Audit Findings

## Critical Severity

No Critical severity vulnerabilities were found.

## High Severity

No High severity vulnerabilities were found.

## Medium

No Medium severity vulnerabilities were found.

## Low

No Low severity vulnerabilities were found.

## Very Low / Informational / Best practices:

(1) Unused internal function:

These functions are not used in contract.

[context.sol](#)

- `_msgData`
- `_contextSuffixLength`

**Resolution:** Remove all these functions from the contract.

**Status:** This issue is acknowledged and safely ignored because it is part of the OpenZeppelin library and does not raise any major security vulnerabilities.

## Centralization Risk

The QURAC Token smart contracts does not have any ownership control, **hence it is 100% decentralized.**

Therefore, there is **no** centralization risk.

## Conclusion

We were given a contract code in the form of an [Etherscan](#) and [github](#) web link. And we have used all possible tests based on given objects as files. We had observed 1 Informational issue in the smart contracts. but those are not critical. So, **it's good to go for the production.**

Since possible test cases can be unlimited for such smart contracts protocol, we provide no such guarantee of future outcomes. We have used all the latest static tools and manual observations to cover maximum possible test cases to scan everything.

Smart contracts within the scope were manually reviewed and analyzed with static analysis tools. Smart Contract's high-level description of functionality was presented in the As-is overview section of the report.

Audit report contains all found security vulnerabilities and other issues in the reviewed code.

Security state of the reviewed smart contract, based on standard audit procedure scope, is **"Secured"**.

# Our Methodology

We like to work with a transparent process and make our reviews a collaborative effort. The goals of our security audits are to improve the quality of systems we review and aim for sufficient remediation to help protect users. The following is the methodology we use in our security audit process.

## **Manual Code Review:**

In manually reviewing all of the code, we look for any potential issues with code logic, error handling, protocol and header parsing, cryptographic errors, and random number generators. We also watch for areas where more defensive programming could reduce the risk of future mistakes and speed up future audits. Although our primary focus is on the in-scope code, we examine dependency code and behavior when it is relevant to a particular line of investigation.

## **Vulnerability Analysis:**

Our audit techniques included manual code analysis, user interface interaction, and whitebox penetration testing. We look at the project's web site to get a high level understanding of what functionality the software under review provides. We then meet with the developers to gain an appreciation of their vision of the software. We install and use the relevant software, exploring the user interactions and roles. While we do this, we brainstorm threat models and attack surfaces. We read design documentation, review other audit results, search for similar projects, examine source code dependencies, skim open issue tickets, and generally investigate details other than the implementation.



## **Documenting Results:**

We follow a conservative, transparent process for analyzing potential security vulnerabilities and seeing them through successful remediation. Whenever a potential issue is discovered, we immediately create an Issue entry for it in this document, even though we have not yet verified the feasibility and impact of the issue. This process is conservative because we document our suspicions early even if they are later shown to not represent exploitable vulnerabilities. We generally follow a process of first documenting the suspicion with unresolved questions, then confirming the issue through code analysis, live experimentation, or automated tests. Code analysis is the most tentative, and we strive to provide test code, log captures, or screenshots demonstrating our confirmation. After this we analyze the feasibility of an attack in a live system.

## **Suggested Solutions:**

We search for immediate mitigations that live deployments can take, and finally we suggest the requirements for remediation engineering for future releases. The mitigation and remediation recommendations should be scrutinized by the developers and deployment engineers, and successful mitigation and remediation is an ongoing collaborative process after we deliver our report, and before the details are made public.

# Disclaimers

## EtherAuthority.io Disclaimer

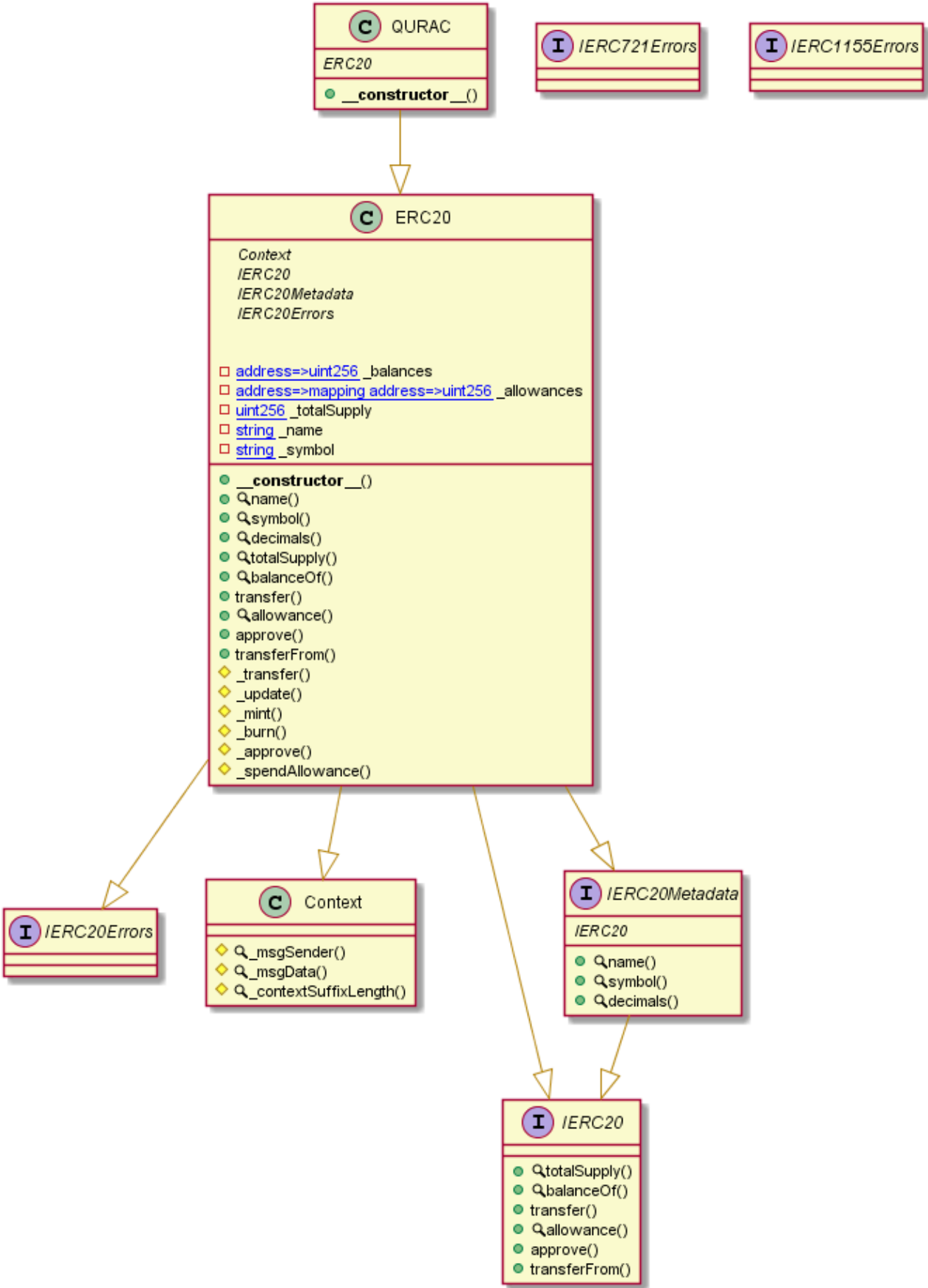
EtherAuthority team has analyzed this smart contract in accordance with the best industry practices at the date of this report, in relation to: cybersecurity vulnerabilities and issues in smart contract source code, the details of which are disclosed in this report, (Source Code); the Source Code compilation, deployment and functionality (performing the intended functions).

Due to the fact that the total number of test cases are unlimited, the audit makes no statements or warranties on security of the code. It also cannot be considered as a sufficient assessment regarding the utility and safety of the code, bugfree status or any other statements of the contract. While we have done our best in conducting the analysis and producing this report, it is important to note that you should not rely on this report only. We also suggest conducting a bug bounty program to confirm the high level of security of this smart contract.

## Technical Disclaimer

Smart contracts are deployed and executed on the blockchain platform. The platform, its programming language, and other software related to the smart contract can have their own vulnerabilities that can lead to hacks. Thus, the audit can't guarantee explicit security of the audited smart contracts.

Code Flow Diagram - QURAC Token



## Slither Results Log

Slither is a Solidity static analysis framework that uses vulnerability detectors, displays contract details, and provides an API for writing custom analyses. It helps developers identify vulnerabilities, improve code comprehension, and prototype custom analyses quickly. The analysis includes a report with warnings and errors, allowing developers to quickly prototype and fix issues.

We did the analysis of the project altogether. Below are the results.

### Slither Log >> QURAC.sol

```
INFO:Detectors:
Context._contextSuffixLength() (QURAC.sol#60-62) is never used and should be removed
Context._msgData() (QURAC.sol#56-58) is never used and should be removed
ERC20._burn(address,uint256) (QURAC.sol#390-395) is never used and should be removed
Reference: https://github.com/crytic/slither/wiki/Detector-Documentation#dead-code
INFO:Detectors:
Pragma version0.8.24 (QURAC.sol#14) necessitates a version too recent to be trusted.
Consider deploying with 0.8.18.
solc-0.8.24 is not recommended for deployment
Reference: https://github.com/crytic/slither/wiki/Detector-Documentation#incorrect-versions-of-solidity
INFO:Slither:QURAC.sol analyzed (8 contracts with 93 detectors), 5 result(s) found
```

# Solidity Static Analysis

Static code analysis is used to identify many common coding problems before a program is released. It involves examining the code manually or using tools to automate the process. Static code analysis tools can automatically scan the code without executing it.

## QURAC.sol

### Gas costs:

Gas requirement of function QURAC.approve is infinite: If the gas requirement of a function is higher than the block gas limit, it cannot be executed. Please avoid loops in your functions or actions that modify large areas of storage (this includes clearing or copying arrays in storage)

Pos: 426:10:

### Gas costs:

Gas requirement of function QURAC.transferFrom is infinite: If the gas requirement of a function is higher than the block gas limit, it cannot be executed. Please avoid loops in your functions or actions that modify large areas of storage (this includes clearing or copying arrays in storage)

Pos: 447:4:

### Constant/View/Pure functions:

IERC20.transferFrom(address,address,uint256) : Potentially should be constant/view/pure but is not.

[more](#)

Pos: 285:10:

### Similar variable names:

ERC20.(string,string) : Variables have very similar names "\_symbol" and "symbol\_".

Pos: 353:17:

### No return:

IERC20Metadata.symbol(): Defines a return type but never explicitly returns a value.

Pos: 299:3:

## Solhint Linter

Linters are the utility tools that analyze the given source code and report programming errors, bugs, and stylistic errors. For the Solidity language, there are some linter tools available that a developer can use to improve the quality of their Solidity contracts.

### QURAC.sol

```
Compiler version 0.8.24 does not satisfy the ^0.5.8 semver
requirement
Pos: 1:13
Explicitly mark visibility in function (Set ignoreConstructors to
true if using solidity >=0.7.0)
Pos: 5:331
Explicitly mark visibility in function (Set ignoreConstructors to
true if using solidity >=0.7.0)
Pos: 5:608
```

### Software analysis result:

These software reported many false positive results and some are informational issues. So, those issues can be safely ignored.



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