

## **Security Assessment**



# Ether-Fi – Berachain Native Minting Contracts

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Prepared for EtherFi





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# **Project Summary**

#### **Project Scope**

Project Name	Repository (link)	Latest Commit Hash	Platform
EtherFi smart contracts	etherfi-protocol/weETH-cross -chain	<u>9154247f</u>	EVM

#### **Project Overview**

This document describes the manual code review of PR 40.

The work was a 1 day-effort undertaken from 24/01/2025 to 27/01/2025.

The following contract list is included in our scope:

- 1. NativeMinting/L2SyncPoolContracts/HydraSyncPoolETHUpgradeable.sol
- 2. NativeMinting/ReceiverContracts/L1HydraReceiverETHUpgradeable.sol

During the manual audit, the Certora team discovered bugs in the Solidity smart contracts code, as listed on the following page.



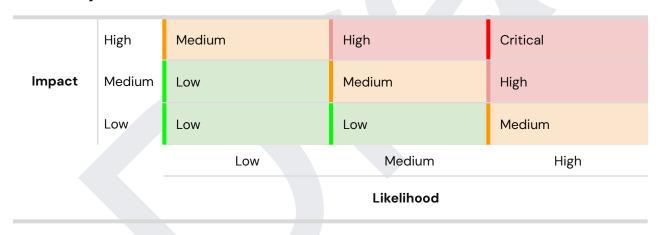


#### **Findings Summary**

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

Severity	Discovered	Confirmed	Fixed
Critical	-	-	-
High	-	-	_
Medium	-	-	-
Low	1	1	1
Total	1	1	1

#### **Severity Matrix**







#### **Low Severity Issues**

L-01 The excessive fee isn't refunded back					
Severity: <b>Low</b>	Impact: <b>Medium</b>	Likelihood: <b>Low</b>			
Files: HydraSyncPoolETHUpgradeable.sol	Status: Fixed				

#### **Description:**

refundAddress is address(0x0) in stargate.sendToken()

The excessive tokens will be lost:

ether.fi's response: The exact amount should always be supplied, but I can just add the sender for best practice: PR 43

**Certora's response:** Be aware that if msg.sender is a contract that lacks a receive function then this will revert.

ether.fi's response: This is automatically called by an EOA in our backend.





#### **Informational Severity Issues**

# I-O1. The returns parameter and the return statement are using different values

This is more about code confusion as the final return statement is correct and is what will be returned.

ether.fi's response: msgReceipt = \_msgReceipt; is an unnecessary line of code and will be removed. See PR 42





#### I-02. Frontrunnable initializers

The initializations are frontrunnable:

```
File: DeployMockNativeMintingL1.s.sol
32:         address receiver = address(new
TransparentUpgradeableProxy(receiverImpl, delegate, ""));
33:
34:
L1HydraReceiverETHUpgradeable(payable(receiver)).initialize(address(mockPool), lzEndpoint, deployer);
```

#### and

Consider a deployment with a payload (passing a data field instead of "" will trigger upgradeToAndCall() which can atomically initialize the contracts)

**ether.fi's response:** These are just the scripts to deploy and test on testnet and will not be used to deploy these contracts to production. Aware of the possible front run issue and we always use an encoded deployment payload for our production scripts





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