HACKEN

SMART CONTRACT CODE REVIEW AND SECURITY ANALYSIS REPORT



Date: 7 November, 2023



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Document

Name	Smart Contract Code Review and Security Analysis Report for MetaTime		
Approved By	Luciano Ciattaglia Head of Services Grzegorz Trawiński Lead Solidity SC Auditor at Hacken OÜ		
Auditor	Ataberk Yavuzer Senior Solidity SC Auditor at Hacken OÜ		
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Introduction

Hacken OÜ (Consultant) was contracted by MetaTime (Customer) to conduct a Smart Contract Code Review and Security Analysis. This report presents the findings of the security assessment of the Customer's smart contracts.

System Overview

MetaTime is a Layer 1 protocol with the following contracts:

- BlockValidator a contract for validating and finalizing blocks.
- Bridge a smart contract for bridging tokens to another chain.
- Macrominer a contract for managing and voting on the status of macrominers which is one of the main types of nodes in the protocol.
- Metaminer a smart contract representing a Metaminer which is one of the main types of nodes, allowing users to stake and participate in block validation.
- *Microminer* a smart contract to manage Microminer nodes on the protocol which is another miner type to participate in votes.
- *MinerFormula* a smart contract for managing reward calculation formulas for miners.
- MinerHealthCheck a contract for checking and managing miner health status.
- *MinerList* a smart contract for managing a list of miners.
- TxValidator a contract for validating transactions and managing votes on transactions.
- MinerPool contract which manages the distribution of tokens to miners based on their activity. This contract interacts with MinerHealthCheck and TxValidator contracts for rewards
- RewardsPool a smart contract for distributing tokens over a specified period of time for mining purposes. This contract interacts with the BlockValidator contract for rewards.

Privileged roles

- The protocol owner (*OWNER_ROLE*) can modify blacklist users and freeze Bridge contracts, enroll Metaminer nodes, extend their subscriptions, set share percentage information for miners, and change timeout for miner nodes.
- Validators (*VALIDATOR_ROLE*) can add a block payload to the queue for a specific block.
- Managers (MANAGER_ROLE) are responsible for making calls from other contracts in the protocol. The MANAGER_ROLE will be granted to smart contracts by protocol owners.



Executive Summary

The score measurement details can be found in the corresponding section of the <u>scoring methodology</u>.

Documentation quality

The total Documentation Quality score is 10 out of 10.

- Functional requirements are provided.
- Business logic is provided.
- Use cases are provided very detailed.
- Technical description is provided.

Code quality

The total Code Quality score is 10 out of 10.

- The development environment is configured.
- The code follows the Solidity Style Guide.
- The code is optimized from a gas consumption perspective.

Test coverage

Code coverage of the project is 100% (branch coverage).

- Deployment and basic user interactions are covered with tests.
- All protocol features and cases are covered with tests.

Security score

As a result of the second audit, the code contains 0 critical, 0 high, 0 medium and 0 low severity issues. The security score is 10 out of 10.

All found issues are displayed in the "Findings" section.

Summary

According to the assessment, the Customer's smart contract has the following score: 10. The system users should acknowledge all the risks summed up in the risks section of the report.

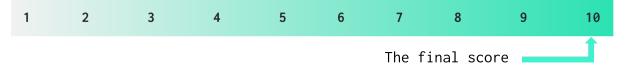




Table. The distribution of issues during the audit

Review date	Low	Medium	High	Critical
26 October 2023	7	4	3	3
5 November 2023	0	1	0	0
7 November 2023	0	0	0	0

Risks

- Validators have full authority on block payloads. Therefore, they can craft malicious block payloads by setting high txRewards.
- If MANAGER_ROLE accidentally grants any EOA address by the owner, that user can drain all balance on MinerPool, RewardsPool, BlockValidator, MainnetBridge, Bridge, MainnetBridge contracts since these contracts have ether sending functions. Additionally, it is possible to mint unlimited MetaPoints with the same permission.



Findings

Critical

C01. Drain of funds by calling unsubscribe() function due to reentrancy

Impact	High
Likelihood	High

Metaminer contract is a part of MetaGenesis contracts which helps users to become Metaminers on protocol to stake and participate block validations. Users can be enlisted as Metaminers after paying 1.1M MTC (1M STAKE AMOUNT + 100K ANNUAL FEE). Also, the protocol introduces the *unsubscribe()* function which helps users to unsubscribe and claim their STAKE AMOUNT later.

Any user can drain all stakes from the **Metaminer** contract by making a reentrant call via *unsubscribe()* function. Lack of **Check-Effect-Interaction** pattern application or missing reentrancy protection mutex, it is possible to trigger the exploit and drain the contract constantly.

```
function _unsubscribe(address miner) internal returns (bool) {
    (bool sent, ) = address(miner).call{value: STAKE_AMOUNT}("");
    require(sent, "Metaminer: Unsubsribe failed");
    minerList.deleteMiner(miner, MinerTypes.NodeType.Meta);
    minerSubscription[miner] = 0;
    // must be delete old shareholders
    return (true);
}
```

A malicious actor can exploit this Reentrancy vulnerability by deploying a malicious contract and trigger the internal *_unsubscribe()* function multiple times on the *receive()* function to receive more funds than expected.

The main reason for this vulnerability is that the Check-Effect-Interaction pattern application is incorrect.



Proof of Concept

- 1. Create a malicious contract which makes an external call to Metaminer.unsubscribe() function on its receive() function.
- 2. Call *Metaminer.setMiner()* function from the malicious contract with the necessary amount.
- 3. Trigger *Metaminer.unsubscribe()* function from the malicious contract.
- 4. The *Metaminer* contract will be depleted due to reentrant calls.

Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_reentrancyScenarioPoC01() public {
    for (uint256 i; i < 22;) {</pre>
        address currAddr = vm.addr(5000 + i);
        vm.deal(currAddr, STAKE AMOUNT + ANNUAL AMOUNT);
        vm.prank(currAddr);
        metaminerContract.setMiner{value: STAKE AMOUNT + ANNUAL AMOUNT}();
        unchecked {
            ++i;
    vm.startPrank(attacker);
    uint256 attackerInitialBalance = address(attacker).balance;
    MockReentrantValidator maliciousMiner = new
MockReentrantValidator(address(metaminerContract));
    maliciousMiner.attack{value: STAKE_AMOUNT + ANNUAL_AMOUNT}();
    maliciousMiner.destruct();
    vm.stopPrank();
    uint256 attackerFinalBalance = address(attacker).balance -
attackerInitialBalance;
    assertEq(attackerFinalBalance, STAKE_AMOUNT); // result: attacker gets more
```



Test Result:

Path

- utils/Metaminer.sol:
 - o unsubscribe()
 - o _unsubscribe()

Recommendation

- 1. Adopt the Checks-Effects-Interactions Pattern: Ensure the function first checks conditions, then updates any necessary state variables, and finally interacts with other contracts.
- 2. Implement a Reentrancy Guard: Integrate a reentrancy lock or guard mechanism to prevent recursive function calls from external contracts. This will act as a primary safeguard against repeated invocations of the ether sending function.

Found in: e187053a

Status: Fixed (Revised commit: 630c7d)

Remediation: The Checks-Effects-Interactions pattern is corrected within a given commit. In addition, OpenZeppelin's **nonReentrant** modifier is implemented for specified functions above.



CO2. Over-rewarding users due to inconsistency on MinerFormulas

Impact	High
Likelihood	High

The whitepaper covers various aspects of the concept and its usage and contains most rules for the protocol. These rules should be followed on the code base to avoid inconsistencies.

The MinerFormulas contract includes all types of calculations for the rewarding mechanism. Maximum limits for daily rewards were also defined in this contract.

The protocol does not follow some significant rules on the code base. For instance, a light macronode (MacroLight) can earn a maximum of 50 MTC within a day according to the whitepaper.

Light Node can track the reward it is entitled to from the miner pool with hourly updates, but the reward can only be transferred to its wallet at 00:00 (UTC). A Light Node can earn a maximum of 50 MTC within a 24-hour period.

However, the MinerFormulas has multiple instances of incorrect definitions for hardcap calculations. For the given example, the contract uses **50.000 MTC** as max limit instead of **50 MTC**. Therefore, users are able to earn much more rewards than expected.

As another example, users should pay 100 MTC to become a MacroLight node. But, the 50th MacroLight node is able to claim 2472 MTC per day instead of 50 MTC due to incorrect definition of hardcap. In this case, users can become Macrominer nodes to benefit from this over-rewarding. The same problem exists on other hardcap formulas.

Maximum limit (150.000 MTC in total instead of 150 MTC) for MacroArchive node:

```
uint256 public constant MACROMINER_ARCHIVE_HARD_CAP_OF_FIRST_FORMULA =
    135_000 * 10 ** 18;
/// @notice hardcap of macrominer(archive) according to second formula
uint256 public constant MACROMINER_ARCHIVE_HARD_CAP_OF_SECOND_FORMULA =
    15_000 * 10 ** 18;
```



Maximum limit (100.000 MTC in total instead of 100 MTC) for MacroFull node:

```
uint256 public constant MACROMINER_FULLNODE_HARD_CAP_OF_FIRST_FORMULA =
    90_000 * 10 ** 18;
/// @notice hardcap of macrominer(fullnode) according to second formula
uint256 public constant MACROMINER_FULLNODE_HARD_CAP_OF_SECOND_FORMULA =
    10_000 * 10 ** 18;
```

Maximum limit (50.000 MTC in total instead of 50 MTC) for MacroLight node:

```
uint256 public constant MACROMINER_LIGHT_HARD_CAP_OF_FIRST_FORMULA =
    45_000 * 10 ** 18;
/// @notice hardcap of macrominer(light) according to second formula
uint256 public constant MACROMINER_LIGHT_HARD_CAP_OF_SECOND_FORMULA =
    5_000 * 10 ** 18;
```

Proof of Concept

The Foundry test case which describes the lifecycle of the possible attack is attached below:

```
function test_pingOverrewardingUsersPoC01() public {
    uint256 dailyRewardForLightNodeWhitepaper = 50 ether;
    uint256 firstBalance_lastNode;
    uint256 finalBalance_lastNode;
    for (uint256 i; i < 50; i++) {</pre>
        address currAddr = vm.addr(2000 + i);
        vm.deal(currAddr, 100 ether); // initial balance: 100 MTC
        vm.prank(currAddr);
        macroMiner.setMiner{value:
MACROMICRO_STAKE_AMOUNT}(MinerTypes.NodeType.MacroLight);
        firstBalance_lastNode = address(currAddr).balance;
            skip(4 hours); // nodes can earn rewards for every 4 hours
            vm.prank(currAddr);
            minerHealthCheck.ping(MinerTypes.NodeType.MacroLight);
        finalBalance_lastNode = address(currAddr).balance;
    uint256 result = finalBalance_lastNode - firstBalance_lastNode;
    assertLe(result, dailyRewardForLightNodeWhitepaper); // expectation:
```



Test Result:

Running 1 test for test/tests/utils/MinerHealthCheck.t.sol:MinerHealthCheckTest
[FAIL. Reason: Assertion failed.] test_pingOverrewardingUsersPoC01() (gas: 26890484)
Logs:
 Error: a <= b not satisfied [uint]
 Value a: 2472865516264700476800
 Value b: 5000000000000000000

Test result: FAILED. 0 passed; 1 failed; 0 skipped; finished in 41.79ms
Ran 1 test suites: 0 tests passed, 1 failed, 0 skipped (1 total tests)

Failing tests:
Encountered 1 failing test in test/tests/utils/MinerHealthCheck.t.sol:MinerHealthCheckTest
[FAIL. Reason: Assertion failed.] test_pingOverrewardingUsersPoC01() (gas: 26890484)</pre>

Path

- utils/MinerFormulas.sol:
 - MACROMINER_ARCHIVE_HARD_CAP_OF_FIRST_FORMULA
 - MACROMINER_ARCHIVE_HARD_CAP_OF_SECOND_FORMULA
 - MACROMINER_FULLNODE_HARD_CAP_OF_FIRST_FORMULA
 - MACROMINER_FULLNODE_HARD_CAP_OF_SECOND_FORMULA
 - MACROMINER_LIGHT_HARD_CAP_OF_FIRST_FORMULA
 - MACROMINER_LIGHT_HARD_CAP_OF_SECOND_FORMULA
- core/MinerPool.sol:
 - o core/MinerPool.sol#L171
 - o core/MinerPool.sol#L177

Recommendation

It is recommended to change the limit variables on MinerFormulas to match the limits defined in the whitepaper to prevent over-rewarding.

Found in: e187053a

Status: Fixed (Revised commit: f5bf3a)

Remediation: The hardcap formulas are corrected with the latest update. It is no longer possible to receive rewards above 50 MTC per day. This situation was confirmed by the tests performed.



CO3. Vote functionality in TxValidator is open to manipulation

Impact	High
Likelihood	High

The **TxValidator** contract is another infrastructure of MetaGenesis contracts. A web service indexes transactions and sends these transactions to the **TxValidator** contract via addTransaction() function.

There are only two options on the *TxValidator.voteTransaction()* function for voting on the **TxValidator** contract. According to the majority of votes, the contract distributes rewards to node operators. Users can only cast votes for **YES** or **NO**.

The **TxValidator** contract produces different rewarding amounts for two different votes which is quite unfair and it can affect the result of votings.

Scenario 1 - 18 miners vote for YES, 14 miners vote for NO:

Scenario 2 - 14 miners vote for YES, 18 miners vote for NO:

Users are most likely to vote for **NO** since that code block excludes the **handlerReward** from total rewards.

As a result, the vote functionality for all transactions to be finalized in the protocol will be **invalid** and the reward mechanism will be **open to manipulation** by the people performing the voting.



If the decision variable was set to **true**, the **handlerReward** will be decreased from whole voter rewards.

```
else {
    uint256 voteReward = txReward / falseVotersLength;
    for (uint256 i = 0; i < falseVotersLength; i++) {
        address falseVoter = falseVoters[i];
        minerPool.claimTxReward(falseVoter, voteReward);
    }
}</pre>
```

However, the **else** statement of that function does not decrease the **handlerReward** from **voteReward** variable.

Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_votersReceiveMoreRewardForNoVotePoC01() public {
    //* first TX setup

    vm.startPrank(standart_user1);
    macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroArchive);

    changePrank(manager);

    uint256 currBlock = block.number;
    bytes32 txHash = keccak256(abi.encode(currBlock));
    address handler = standart_user1;
    uint256 reward = 1 ether;
    MinerTypes.NodeType nodeType = MinerTypes.NodeType.MacroArchive;

    txValidator.addTransaction(txHash, handler, reward, nodeType);

    //* funding wallets and setting miners

for (uint256 i; i < 18;) {
        // 18 miners from both parties
        vm.deal(vm.addr(4000 + i), STAKE_AMOUNT);
    }
}</pre>
```



```
vm.deal(vm.addr(5000 + i), STAKE_AMOUNT);
        changePrank(vm.addr(4000 + i));
        macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroLight);
        changePrank(vm.addr(5000 + i));
        macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroLight);
        unchecked {
    for (uint256 i; i < 18;) {</pre>
        address voterYes = vm.addr(4000 + i);
        changePrank(voterYes);
        txValidator.voteTransaction(txHash, true,
MinerTypes.NodeType.MacroLight);
        unchecked {
    for (uint256 i; i < 14;) {</pre>
        address voterNo = vm.addr(5000 + i);
        changePrank(voterNo);
        txValidator.voteTransaction(txHash, false,
MinerTypes.NodeType.MacroLight);
        unchecked {
            ++i;
    address firstVoterYes = vm.addr(4000);
    address firstVoterNo = vm.addr(5000);
    uint256 voterYesBalanceCase1 = address(firstVoterYes).balance; //
    changePrank(manager);
    currBlock = block.number + 1;
    txHash = keccak256(abi.encode(currBlock));
    txValidator.addTransaction(txHash, handler, reward, nodeType);
    for (uint256 i; i < 14;) {</pre>
        address voterYes = vm.addr(4000 + i);
        changePrank(voterYes);
        txValidator.voteTransaction(txHash, true,
MinerTypes.NodeType.MacroLight);
        unchecked {
```



Test Result

Path

- utils/TxValidator.sol:
 - TxValidator.sol#L308-L315
 - TxValidator.sol#L316-L321

Recommendation

Discard the **handlerReward** from the total txReward amount for both calculations. Instead, that reward should be decreased from the share of the contract.

Found in: e187053a

Status: Fixed (Revised commit: ca9508)

Remediation: The _shareReward() function logic is changed and both **YES** and **NO** parties will have the same formula for rewarding process.





High

H01. Macrominer nodes can gain full authority over reward decisions in short period

Impact	High
Likelihood	Medium

The aim of the **TxValidator** contract is to validate transactions and manage voting for these transactions.

Therefore, there is another voting functionality on the **TxValidator** contract which allows **Macrominer nodes** to make a decision on distributing the reward to the **Handler (validator)** address.

When a transaction comes to be validated, **Macrominer nodes** should vote to decide if the Handler address should claim the handler reward or not. Also, the **MetaPoint token** balance of nodes has important weight on votes.

According to the concept, there are two different ways to end the voting:

- 1. Total vote points should reach 100 MTC.
- 2. In total, 32 votes should be cast.

```
function _calculateVotePoint(
    address voter,
    MinerTypes.NodeType nodeType
) internal view returns (uint256) {
    uint256 votePoint = VOTE_POINT;
    if (nodeType == MinerTypes.NodeType.Micro) {
        return votePoint;
    }

    uint256 metaPointsBalance = metaPoints.balanceOf(voter);
    votePoint *= (metaPointsBalance > 0 ? metaPointsBalance / 1 ether : 1);

    return votePoint;
}
```

Any user with **50 MP** will have full power on the voting functionality. It is possible to reach **50 MP** in 16 days when a node operator enrolls to the protocol with 3 different **Macrominer node** types and stays **active** for **16 days**. Basically, the protocol will grant **~1 MP** for each node type. At the end of the 16th day, the node operator will have **50 MP** and it will have full power on reward decisions for transactions.



According to the *TxValidator* contract, voters will claim rewards if they are in the majority group of voting results under normal circumstances. These rewards will be distributed according to the number of the winning party.

```
bool tie = (trueVotersLength == falseVotersLength ? true : false);
bool decision = (trueVotersLength > falseVotersLength ? true : false);
if (!tie) {
    uint256 txReward = txPayload.reward;
    uint256 minerPoolPercent = (minerFormulas.BASE_DIVIDER() /
        minerFormulas.METAMINER MINER POOL SHARE PERCENT());
    txReward /= minerPoolPercent;
    uint256 handlerReward = txReward /
        (minerFormulas.BASE_DIVIDER() / HANDLER_PERCENT);
    if (decision) {
        uint256 voteReward = (txReward - handlerReward) /
            trueVotersLength;
        minerPool.claimTxReward(txPayload.handler, handlerReward);
        for (uint256 i = 0; i < trueVotersLength; i++) {</pre>
            address trueVoter = trueVoters[i];
            minerPool.claimTxReward(trueVoter, voteReward);
        uint256 voteReward = txReward / falseVotersLength;
        for (uint256 i = 0; i < falseVotersLength; i++) {</pre>
            address falseVoter = falseVoters[i];
            minerPool.claimTxReward(falseVoter, voteReward);
```

However, a 16-day node operator can eliminate all this voting functionality. It can ensure that no reward is given to the handler and all rewards are collected on it.



Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_sameAddrFullVotingPowerIn16DaysPoC01() public {
    vm.startPrank(standart user1);
    macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroArchive);
    macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroLight);
    for (uint256 i; i < 17;) {</pre>
        for (uint256 k; k < 6;) {</pre>
            skip(4 hours);
            minerHealthCheck.ping(MinerTypes.NodeType.MacroArchive);
            minerHealthCheck.ping(MinerTypes.NodeType.MacroFullnode);
            minerHealthCheck.ping(MinerTypes.NodeType.MacroLight);
            unchecked {
        unchecked {
    changePrank(standart user2);
    minerHealthCheck.ping(MinerTypes.NodeType.MacroFullnode);
    changePrank(manager);
    uint256 currBlock = block.number;
    bytes32 txHash = keccak256(abi.encode(currBlock));
    address handler = standart_user2;
    uint256 reward = 1 ether;
    txValidator.addTransaction(txHash, handler, reward,
MinerTypes.NodeType.MacroFullnode);
    changePrank(standart_user1);
    txValidator.voteTransaction(txHash, false, MinerTypes.NodeType.MacroArchive);
    vm.stopPrank();
```



Test Result:

The *TxValidator.voteTransaction()* function emits a *DoneTransaction* event with only 1 vote.

Path

- utils/TxValidator.sol:
 - o utils/TxValidator.sol#L190
 - utils/TxValidator.sol#L193
 - o utils/TxValidator.sol#L228-L234
 - o utils/TxValidator.sol#L266-L267

Recommendation

Consider changing the vote point calculation formula. Due to the formula currently used, users can have full authority on all types of voting in a very short time.

Found in: e187053a

Status: Fixed (Revised commit: d10f99)

Remediation: The *votePoint* calculation is slightly different from the previous version. Only the addition operation is getting used rather than multiplication. Therefore, it will take so much longer to have full authority on votes.



HO2. Unpaid validators can getting paid and deny unsubscribe() right of paid validators

Impact	High
Likelihood	Medium

Protocol users must call the *Metaminer.setMiner()* function with the cost of **STAKE_AMOUNT + ANNUAL_AMOUNT** to become a **Metaminer node**. Users who are **Metaminer nodes** can also call the *unsubscribe()* function to remove their rights. This function deletes users from the miner list and refunds the STAKE_AMOUNT amount paid to the caller.

The protocol owner can also grant the **Metaminer node** role to someone else by calling *Metaminer.setValidator()* function to give the same right. As an outcome of incomplete balance tracking, these **Metaminer nodes** can also benefit from the **STAKE_AMOUNT** payment through the *unsubscribe()* function, which they are not entitled to.

```
function unsubscribe() external isMiner(msg.sender) returns (bool) {
    _unsubscribe(msg.sender);
    emit MinerUnsubscribe(msg.sender);
    return (true);
}
```

The situation impacts two flows such as;

- Metaminer nodes set by the owner can be redeemed with 1M MTC (which is a big amount for the protocol) without paying anything to be enlisted as Metaminer nodes while other users pay.
- 2. Users who paid **1M MTC** to become a validator can lose their **unsubscribe** right if the total balance in the protocol is less than **1MTC**.



Proof of Concept

The Foundry test case which shows the lifecycle of the possible attack is attached below:

```
function test_unpaidValidatorStealsAndDeniesUnsubscribePoC01() public {
    vm.deal(address(rewardPool), 10 ether);
    vm.deal(attacker, 0);

    vm.startPrank(standart_user1);
    metaminerContract.setMiner{value: STAKE_AMOUNT + ANNUAL_AMOUNT}();

    changePrank(owner);
    metaminerContract.setValidator(attacker);

    changePrank(attacker);
    metaminerContract.unsubscribe();

    changePrank(standart_user1);
    metaminerContract.unsubscribe(); // paid user will not be able to call
    `unsubscribe()` function

    vm.stopPrank();
}
```

Test Result:

Path

- utils/Metaminer.sol:
 - o utils/Metaminer.sol#L119-123
 - o utils/Metaminer.sol#L155-158
 - o utils/Metaminer.sol#L326
 - o utils/Metaminer.sol#L165-174



Recommendation

It is recommended to implement a mapping to account payments for node subscriptions. If someone pays to become a miner node, the *subscriptions* mapping should be increased according to the paid amount. The redeemed amount must be also equal to the paid amount.

```
mapping(address => uint256) public subscriptions;
```

```
function _unsubscribe(address miner) internal returns (bool) {
    uint256 paidAmount = subscriptions[miner];
    delete minerSubscription[miner];
    delete subscriptions[miner];
    minerList.deleteMiner(miner, MinerTypes.NodeType.Meta);
    (bool sent, ) = address(miner).call{value: paidAmount}("");
    require(sent, "Metaminer: Unsubsribe failed");
    // must be delete old shareholders
    return (true);
}
```

Found in: e187053a

Status: Fixed (Revised commit: 93d142)

Remediation: The vulnerable *setValidator()* function is removed from

the contract completely.



H03. Macrominers can cast unlimited votes to kick inactive miners

Impact	Medium
Likelihood	High

Macrominer contract is a part of MetaGenesis contracts which helps users to be enlisted as Macrominer nodes on protocol to stake and participate in block validations. Users can be enlisted as Macrominers after paying **100 MTC**. These nodes have power on kicking inactive miners by voting.

Basically, all node types should <code>ping()</code> the <code>MinerHealthCheck</code> contract periodically to avoid losing their <code>active</code> statuses. If a node becomes inactive, it cannot claim protocol rewards and can be kicked out of the protocol by voting.

The Macrominer.checkMinerStatus() function is another external function which helps to check if a specified node and node-type pair is active on protocol. In case of detecting an inactive node on the protocol, that function starts a voting to kick the node. In addition, Macrominer nodes can earn 1 MetaPoint token which affects voting when they are active for a 24-hour period.

Macrominer nodes have the weight of their MetaPoint balances in voting. If total vote points reach 100 MP Tokens, inactive nodes can be removed from the protocol.

The *Macrominer.checkMinerStatus()* function does not have a sanity check if a *Macrominer node* previously voted for an inactive node. Therefore, *Macrominer nodes* can cast unlimited votes to kick an inactive node directly no matter their *MP balance*.

Node operators can call the <code>ping()</code> function to gain **active** status to downvote while a voting continues. However, inactive node operators will be kicked out immediately if a malicious **Macrominer node** continuously calls the <code>Macrominer.checkMinerStatus()</code> function to reach <code>VOTE_POINT_LIMIT</code>.

```
Vote storage vote = votes[votedMinerAddress][votedMinerNodeType];

if (isAlive == false) {
    uint256 mpBalance = metapoints.balanceOf(msg.sender);
    if (mpBalance + vote.point >= VOTE_POINT_LIMIT) {
        // If enough votes have been collected, kick the miner.
        _kickMiner(votedMinerAddress, votedMinerNodeType);
```



Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_macroMinerVoteScenarioMultipleVotePoC01() public {
    vm.prank(attacker);
    macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroArchive);
    vm.prank(standart_user3);
    macroMiner.setMiner{value: STAKE AMOUNT}(MinerTypes.NodeType.MacroLight);
    skip(4 hours);
    vm.prank(attacker);
    minerHealthCheck.ping(MinerTypes.NodeType.MacroArchive);
    skip(1 hours);
    uint256 metaPointBalance = metaPoints.balanceOf(attacker);
    vm.startPrank(attacker);
    for (uint256 i; i < 50; i++) {</pre>
        macroMiner.checkMinerStatus(
            standart_user3, MinerTypes.NodeType.MacroLight,
MinerTypes.NodeType.MacroArchive
    vm.stopPrank();
    (, uint256 votePoint,) = macroMiner.votes(standart_user3,
MinerTypes.NodeType.MacroLight);
    assertEq(votePoint, metaPointBalance);
```

Test Result:

```
Running 1 test for test/tests/utils/MacroMiner.t.sol:MacroMinerTest
[FAIL. Reason: Assertion failed.] test_macroMinerVoteScenarioMultipleVotePoC01() (gas: 1060620)
Logs:
    Error: a == b not satisfied [uint]
        Left: 83333333333333280000
        Right: 1666666666666666600

Test result: FAILED. 0 passed; 1 failed; 0 skipped; finished in 8.18ms
Ran 1 test suites: 0 tests passed, 1 failed, 0 skipped (1 total tests)

Failing tests:
Encountered 1 failing test in test/tests/utils/MacroMiner.t.sol:MacroMinerTest
[FAIL. Reason: Assertion failed.] test_macroMinerVoteScenarioMultipleVotePoC01() (gas: 1060620)
```



Path

• utils/Macrominer.sol:

o utils/Macrominer.sol#L165-L177

o utils/Macrominer.sol#L193

Recommendation

Consider adding a sanity check to prevent casting a vote more than once for a voting. Users **must** cast one vote per voting.

Found in: e187053a

Status: Fixed (Revised commit: fe1e86)

Remediation: A new *previousVotes* mapping was introduced with the given commit. The Macrominer function now controls whether a Macrominer node is previously voted or not.



Medium

M01. Loss of voting weight due to precision loss

Impact	Medium
Likelihood	Medium

According to the code, the votes of Macrominer nodes with less than 1 day of subscription will be deemed invalid due to precision loss. Macrominers can only have 1 MP after being active for all day long.

While the votes of Macrominers who do not have any MPs will be considered valid, Macrominers whose MP balance is below 1 ether are at a disadvantage.

In addition, they will not be able to cast a vote for the same transaction again to correct that since they already voted with <code>0</code> voting power.

```
uint256 metaPointsBalance = metaPoints.balanceOf(voter);votePoint *=
(metaPointsBalance > 0 ? metaPointsBalance / 1 ether : 1);
return votePoint;
```

Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_voteTransactionScenarioNewMacrominersLoseVotesPoC01() public {
    vm.startPrank(manager);

    uint256 currBlock = block.number;
    bytes32 txHash = keccak256(abi.encode(currBlock));
    address handler = standart_user2;
    uint256 reward = 1 ether;
    MinerTypes.NodeType nodeType = MinerTypes.NodeType.MacroFullnode;

    txValidator.addTransaction(txHash, handler, reward, nodeType);

    changePrank(standart_user1);
    skip(2 minutes);
    minerHealthCheck.ping(nodeType);
    txValidator.voteTransaction(txHash, true, nodeType);

    // txValidator.voteTransaction(txHash, true, nodeType);
    --> reverts (already voted)
    vm.stopPrank();

    (,, uint256 votePoints,,,,) = txValidator.txPayloads(txHash);
```



```
assertEq(votePoints, 2 ether); // expectation: total votePoint should be 2
ether
}
```

Test Result

Path

- utils/TxValidator.sol:
 - o utils/TxValidator.sol#L266-L269

Recommendation

Consider correcting the vote point calculation formula by taking precision loss possibility into account.

Found in: e187053a

Status: Fixed (Revised commit: d10f99)

Remediation: This issue was also eliminated after introducing the bug fix for **[H01]**. The votePoint calculation was completely changed.



M02. Shareholder incomes set by admin can be eliminated by paying ANNUAL_AMOUNT

Impact	Medium
Likelihood	Medium

The *Metaminer.setPercentages()* function allows the contract owner to set the percentage share for Metaminer's shareholders. When someone wants to become a **Metaminer node** on the protocol, the **MinerPool** address is automatically added as a shareholder.

In case a new shareholder is added to a **Metaminer node**, if the *Metaminer.finalizeBlock()* function is called on the protocol, the specified reward is distributed among the shareholders.

If a Metaminer node decides to unsubscribe from the protocol, its node operator will redeem the **STAKE_AMOUNT** which is **1M MTC.** When that node operator wants to become a **Metaminer node** by calling the **Metaminer.setMiner()** function again, the same subscription amount (**STAKE_AMOUNT + ANNUAL_AMOUNT**) should be paid again.

In this case, the *shares* variable will be cleared out by the protocol just by repaying the **ANNUAL_AMOUNT**.

```
function setMiner() external payable returns (bool) {
   require(
       msg.value == (ANNUAL_AMOUNT + STAKE_AMOUNT),
       "Metaminer: Required MTC is not sent"
   );
   shares[msg.sender] = Share(0, 0);
```

As a result, **Metaminer nodes** can eliminate the shareholders set by the protocol owner and have a power on the income distribution.



Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_shareIncomeBypassByResubscribingPoC01() public {
   uint256 BASE DIVIDER = 10 000;
   vm.deal(standart_user1, 0);
   vm.deal(standart_user2, 0);
   vm.deal(validator1, (STAKE_AMOUNT + ANNUAL_AMOUNT) * 2);
   vm.startPrank(validator1);
   metaminerContract.setMiner{value: STAKE_AMOUNT + ANNUAL_AMOUNT}();
   address[] memory shareholders = new address[](2);
   shareholders[0] = standart_user1;
   shareholders[1] = standart user2;
   uint256[] memory percentages = new uint256[](2); // BASE_DIVIDER: 10_000 =
   percentages[0] = 6_000;
   percentages[1] = 4_000;
   changePrank(owner);
   metaminerContract.setPercentages(validator1, shareholders, percentages);
   uint256 targetBlock = block.number + 1;
   BlockValidator.BlockPayload memory blockPayload =
BlockValidator.BlockPayload({
       coinbase: address(validator1),
       blockHash: blockhash(targetBlock),
       blockReward: 1 ether,
       isFinalized: false
   changePrank(validator1);
   blockValidator.setBlockPayload(targetBlock, blockPayload);
   metaminerContract.unsubscribe();
   metaminerContract.setMiner{value: STAKE_AMOUNT + ANNUAL_AMOUNT}();
   metaminerContract.finalizeBlock{value: 1 ether}(targetBlock);
   vm.stopPrank();
   assertEq(address(standart user1).balance, 1 ether * percentages[0] /
BASE_DIVIDER); // expectation: user1 should have 0.6 MTC
```



Test Result

Path

- utils/Metaminer.sol:
 - o utils/Metaminer.sol#L124

Recommendation

Consider implementing a mapping which tracks previous shareholder information for Metaminer nodes which decide to unsubscribe from protocol. Therefore, when a Metaminer node calls Metaminer.unsubscribe() and Metaminer.setMiner() functions in order, the previous shareholder information can be attached to the node operator.

Found in: e187053a

Status: Fixed (Revised commit: 93d142)

Remediation: The *Metaminer.setMiner()* function checks whether the shareHolderCount for a given miner address is zero or not. In this case, if a Metaminer node tries to call *unsubscribe()* and *subscribe()* functions in order, it will not be able to delete previous shareholders anymore.



M03. Malicious validator can drain all Metaminer funds via Reentrancy on _shareIncome() function

Impact	High
Likelihood	Low

The *Metaminer._shareIncome()* function poses a Reentrancy vulnerability on *Metaminer.finalizeBlock()* function due to missing reentrancy guard and incorrect **Check-Effect-Interaction** pattern.

The likelihood of the attack is very unlikely since the threat actor is supposed to be a malicious validator. Validators are usually set by the protocol owner.

The blockPayload.isFinalized variable is getting updated as **true** during the calls within blockValidator.finalizeBlock() function.

```
function finalizeBlock(
    uint256 blockNumber
) external payable returns (bool) {
    bool status = _minerCheck(msg.sender);

    if (!status) {
        return false;
    }

    IBlockValidator.BlockPayload memory blockPayload = blockValidator
        .blockPayloads(blockNumber);
    bool finalized = blockPayload.isFinalized;
    require(finalized == false, "Metaminer: Already finalized");
    address coinbase = blockPayload.coinbase;
    uint256 blockReward = blockPayload.blockReward;

    require(msg.sender == coinbase, "Metaminer: Wrong coinbase");
    require(msg.value >= blockReward, "Metaminer: Insufficient amount");

    _shareIncome(msg.sender, msg.value);
    blockValidator.finalizeBlock(blockNumber);

    return true;
}
```



Also, the *Metaminer._shareIncome()* function transfers ether via address(receiver).call{value: msg.value}("") pattern.

```
function _shareIncome(
   address miner,
   uint256 balance
) internal isMiner(miner) validMinerSubscription(miner) returns (bool) {
   uint256 _shareholderCount = shares[miner].shareHolderCount;
   for (uint256 i = 0; i < _shareholderCount; i++) {
        Shareholder memory shareHolder = shareholders[miner][i];
        uint256 holderPercent = (balance * shareHolder.percent) /
            minerFormulas.BASE_DIVIDER();
        (bool sent, ) = address(shareHolder.addr).call{
            value: holderPercent
        }("");
        require(sent, "Metaminer: Income sharing failed");
    }
    return (true);
}</pre>
```

The faulty implementation creates a possibility of Reentrancy attacks.

Basically, a malicious validator should prepare a BlockPayload which has a malicious contract address for the coinbase field.

The malicious contract should subscribe to the protocol as a **Metaminer node**. Then, it can control the call flow with its *receive()* function and can make multiple reentrant calls into the **Metaminer** contract.

Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:



```
uint256 currBlockNum;
    for (uint256 i; i < 31;) {</pre>
        currBlockNum = block.number + i;
        _prepareBlock(validator2, currBlockNum, 100 ether);
        skip(1 days);
        vm.prank(validator2);
        metaminerContract.finalizeBlock{value: 100 ether}(currBlockNum);
        unchecked {
            ++i;
        currBlockNum++;
    address[] memory shareholders = new address[](2);
    shareholders[0] = standart_user1;
    shareholders[1] = address(maliciousMiner);
    uint256[] memory percentages = new uint256[](2); // BASE_DIVIDER: 10_000 =
    percentages[0] = 2 000;
    percentages[1] = 8_000;
    vm.prank(owner);
    metaminerContract.setPercentages(address(maliciousMiner), shareholders,
percentages);
    vm.startPrank(validator1);
    BlockValidator.BlockPayload memory blockPayload =
BlockValidator.BlockPayload({
        coinbase: address(maliciousMiner),
        blockHash: blockhash(currBlockNum),
        blockReward: 1 wei,
        isFinalized: false
    blockValidator.setBlockPayload(currBlockNum, blockPayload);
    vm.stopPrank();
    vm.startPrank(attacker);
    maliciousMiner.changeBlockNum(currBlockNum);
    maliciousMiner.finalize(currBlockNum);
    maliciousMiner.unsubscribe();
    maliciousMiner.destruct();
    vm.stopPrank();
    assertEq(address(attacker).balance, STAKE_AMOUNT); // result: attacker gets
```

Test Result



Path

- utils/Metaminer.sol:
 - utils/Metaminer.sol#L249
 - o utils/Metaminer.sol#L257
 - o utils/Metaminer.sol#L259
 - utils/Metaminer.sol#L311

Recommendation

- 1. Adopt the Checks-Effects-Interactions Pattern: Ensure the function first checks conditions, then updates any necessary state variables, and finally interacts with other contracts.
- 2. **Implement a Reentrancy Guard:** Integrate a reentrancy lock or guard mechanism to prevent recursive function calls from external contracts. This will act as a primary safeguard against repeated invocations of the ether sending function.

Found in: e187053a

Status: Fixed (Revised commit: 487600)

Remediation: The Checks-Effects-Interactions pattern is corrected within a given commit. In addition, OpenZeppelin's **nonReentrant** modifier is implemented for the *finalizeBlock()* function.



M04. Macrominer nodes can gain full authority over kicking inactive nodes in short period

Impact	Medium
Likelihood	Medium

As explained in finding [H03], Macrominer nodes can vote to kick other inactive nodes out of the protocol and influence the reward mechanism. According to the Macrominer contract, MetaPoint balance of a Macrominer node will be added to votePoints calculation directly.

The voting ends if *mpBalance* + *vote.point* reaches **100** and protocol removes the inactive miner from the **MinerList** contract.

In this case, if a node operator becomes all types of Macrominer nodes (MacroArchive, MacroFull and MacroLight) by paying a stake amount for each and stays active for 33 days, their MP balance will reach 100. Therefore, 33-day old Macrominer nodes will gain full authority over voting.

```
uint256 mpBalance = metapoints.balanceOf(msg.sender);
if (mpBalance + vote.point >= VOTE_POINT_LIMIT) {
    // If enough votes have been collected, kick the miner.
    _kickMiner(votedMinerAddress, votedMinerNodeType);

emit EndVote(
    vote.voteId,
    votedMinerAddress,
    votedMinerAddress,
    votedMinerNodeType
    );
}
```



Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test_macroMinerVoteScenarioOverPowerPoC01() public {
   deal(address(metaPoints), standart_user1, 100 ether); // 100 MP
   vm.startPrank(standart_user1);
   macroMiner.setMiner{value: STAKE AMOUNT}(MinerTypes.NodeType.MacroArchive);
   changePrank(standart_user2);
   macroMiner.setMiner{value: STAKE_AMOUNT}(MinerTypes.NodeType.MacroFullnode);
   skip(4 hours);
   changePrank(standart user1);
   minerHealthCheck.ping(MinerTypes.NodeType.MacroArchive);
   skip(1 minutes);
   macroMiner.checkMinerStatus(standart_user2,
MinerTypes.NodeType.MacroFullnode, MinerTypes.NodeType.MacroArchive);
   vm.stopPrank();
   bool status = minerList.isMiner(standart user2,
MinerTypes.NodeType.MacroFullnode);
   assertEq(status, true); // expectation: node did not removed since there is
```

Test Result

```
Running 1 test for test/tests/utils/MacroMiner.t.sol:MacroMinerTest
[FAIL. Reason: Assertion failed.] test_macroMinerVoteScenarioOverPowerPoC01() (gas: 487347)
Logs:
    Error: a == b not satisfied [bool]
        Left: false
        Right: true

Test result: FAILED. 0 passed; 1 failed; 0 skipped; finished in 3.99ms
Ran 1 test suites: 0 tests passed, 1 failed, 0 skipped (1 total tests)
```

Path

- utils/Macrominer.sol:
 - o utils/Macrominer.sol#L168-L171



Recommendation

Consider refactoring the voting power calculations for the **Macrominer** contract since Macrominer nodes are able to gain full authority in short periods. Slowing down the **MetaPoint** minting could be another possible solution.

Found in: e187053a

Status: Fixed (Revised commit: fe1e86)

Remediation: The *votePoint* calculation is slightly different from the previous version. Only the addition operation is getting used rather than multiplication. Therefore, it will take so much longer to have full authority on votes.



M05. Share incomes may not be distributed due to incorrect allocation

Impact	High
Likelihood	Low

The share distribution is most likely to fail in case the owner calls the <code>setPercentages()</code> function with a total allocation amount more than <code>5_000</code> which equals <code>50%</code> of total allocations. When someone becomes a Metaminer node by calling the <code>setMiner()</code> function, the contract automatically allocates <code>50%</code> of shares to the MinerPool contract.

In addition, the protocol owner can call the *setPercentages()* function for a Metaminer node up to **10_000 (100%)** for total allocations. However, the protocol already allocated half of these shares to the MinerPool contract already.

```
function setPercentages(
   address miner,
   address[] memory shareholders_,
      uint256[] memory percentages
) external onlyOwnerRole(msg.sender) isMiner(miner) returns (bool) {
   Share storage share = shares[miner];
   uint256 shareholdersLength = shareholders_.length;
   for (uint256 i; i < shareholdersLength; i++) {
      address addr = shareholders_[i];
      uint256 percentage = percentages[i];
      uint256 nextPercent = share.sharedPercent + percentage;

      require(addr != address(0), "Metaminer: No zero shareholder");</pre>
```

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```
require(percentage != 0, "Metaminer: Non-zero % holder");
require(
    nextPercent <= minerFormulas.BASE_DIVIDER(),
    "Metaminer: Max 100% total share"
);</pre>
```

In case the owner sets more than 5_000 for a Metaminer node, Metaminer.finalizeBlock() transactions will get reverted with Arithmetical Overflow/Underflow error.

Proof of Concept

The Foundry test case which can be run against a local Ethereum fork is attached below:

```
function test OverflowShareholdersPoC01() public {
   vm.deal(address(rewardPool), 10 ether);
   vm.prank(validator1);
   metaminerContract.setMiner{value: STAKE AMOUNT + ANNUAL AMOUNT}();
   address[] memory shareholders = new address[](3);
   shareholders[0] = standart_user1;
   shareholders[1] = standart_user2;
   shareholders[2] = standart_user3;
   uint256[] memory percentages = new uint256[](3); // BASE_DIVIDER: 10_000 =
   percentages[0] = 4_000;
   percentages[1] = 3_000;
   percentages[2] = 3_000;
   vm.prank(owner);
   metaminerContract.setPercentages(validator1, shareholders, percentages);
   uint256 currBlockNum = block.number;
   _prepareBlock(validator1, currBlockNum, 1 ether);
   vm.prank(validator1);
   metaminerContract.finalizeBlock{value: 1 ether}(currBlockNum);
```



Test Result

Path

- utils/Metaminer.sol:
 - o utils/Metaminer.sol#L137-L141
 - o utils/Metaminer.sol#L196-L199

Recommendation

Consider correcting the share allocation calculation by replacing the maximum amount to **5_000** instead of **10_000**. As another suggestion, the _addShareHolder() function should also track total allocations.

Found in: 7e5701

Status: Fixed (Revised commit: 8cd0c6)

Remediation: The _addShareHolder() function takes all allocations into account by updating the **share.sharedPercent** variable correctly for specified miners with the latest update. Therefore, it will not be possible to reach more than 100% for share allocations.



Low

L01. Centralization risks

Impact	Low
Likelihood	Low

Centralization risk in the context of smart contract security refers to the potential for a smart contract or decentralized application to become centralized in some aspect, which can pose security and trust issues.

It involves the concentration of control, authority, or data in a single entity or a limited number of parties, which can undermine the core principles of decentralization, transparency, and trustlessness that blockchain and smart contracts aim to achieve.

When a smart contract relies on a single central entity for its operation, it becomes vulnerable to a single point of failure. If this central entity experiences downtime, compromise, or any issues, the entire system can be disrupted.

Apart from this, increased centralization may reduce users' trust in the protocol. There are two examples of this expression in the protocol.

- 1. **Protocol owners** can enroll users as **Metaminer nodes** without any payment.
- 2. **Protocol owners** can grant *VALIDATOR_ROLE* to any user.

The problem with the first item is that other users have to pay subscription fees to protocol. These users will benefit from all rights of becoming a **Metaminer node**. Also, the protocol owner can extend the subscription date of nodes. In this case, other users might find this situation unethical and unfair.

The second problem is that the <code>VALIDATOR_ROLE</code> plays an important role in the protocol since they have authority on blocks. They can add a payload to the queue for a specific block. If the protocol owner grants this permission to another party, or someone compromises a validator address, the malicious party can create block payloads for their own to benefit from protocol rewards.

Proof of Concept

N/A



Path

- utils/BlockValidator.sol:
 - o utils/BlockValidator.sol#L65
- utils/Metaminer.sol:
 - o utils/Metaminer.sol#L165
 - o utils/Metaminer.sol#L188

Recommendation

The protocol owner should be enforced to multi-sig wallet usage. Additionally, the validator role must be a role over which the protocol owner has no influence. The contents of the <code>setMiner()</code> and <code>setValidator()</code> functions on the Metaminer contract are very similar to each other. This should be changed.

Found in: e187053a

Status: Fixed (Revised commit: 93d142)

Remediation: The *Metaminer.setValidator()* function was removed. In addition, its related fields such as *Share* struct's *client* value to maintain decentralization in the miner logic.



LO2. VoteId can be incremented with ghost votes

Impact	Low
Likelihood	Low

It is possible to create **ghost votes** on **Macrominer** contract voting functionality due to a missing sanity check.

If no one previously voted for a miner, a Macrominer node with 0 MP can call Macrominer.checkMinerStatus() function multiple times to increase the voteId variable.

It should be controlled that if *mpBalance* variable is **0** for a miner, all if/else loops should be skipped directly.

```
if (isAlive == false) {
            uint256 mpBalance = metapoints.balanceOf(msg.sender);
            if (mpBalance + vote.point >= VOTE_POINT_LIMIT) {
                _kickMiner(votedMinerAddress, votedMinerNodeType);
                emit EndVote(
                    vote.voteId,
                    votedMinerAddress,
                    votedMinerNodeType
                if (vote.point == 0) {
                    vote.voteId = voteId;
                    vote.point = mpBalance;
                    vote.exist = true;
                    voteId++;
                    emit BeginVote(
                        vote.voteId,
                        votedMinerAddress,
                        votedMinerNodeType
                    vote.point += mpBalance;
                    emit Voted(
                        vote.voteId,
                        votedMinerAddress,
                        votedMinerNodeType,
                        mpBalance
```



Proof of Concept

N/A

Path

utils/Macrominer.sol#L168utils/Macrominer.sol#L168

Recommendation

Consider implementing sanity checks to prevent incrementation of the *voteId* variable via **ghost votes**.

```
uint256 mpBalance = metapoints.balanceOf(msg.sender);
require(mpBalance > 0);
```

Found in: e187053a

Status: Fixed (Revised commit: d040bd)

Remediation: Miner nodes cannot cast ghost votes with the new implementation anymore.

```
// Prevent ghost voting
if (mpBalance == 0 || isCallerAlive == false) {
          return (false);
}
```



L03. Inactive Macrominer nodes are entitled to vote

Impact	Low
Likelihood	Low

The Macrominer contract does not include a sanity check to prevent inactive miners from voting.

The voting on the contract itself ensures that inactive miners are removed from the protocol. However, inactive miners can participate in this voting. This situation creates an inconsistency.

Path

- utils/Macrominer.sol
 - o utils/Macrominer.sol#L148

Recommendation

In the *Macrominer.checkMinerStatus()* function, it should be checked whether the miner doing the voting is **active** or not. If the miner is in an **inactive** state, it should be ensured that the function cannot be called by that miner.

Found in: e187053a

Status: Fixed (Revised commit: d040bd)

Remediation: Inactive Miner nodes cannot cast votes with the given commit.

```
// Prevent ghost voting
if (mpBalance == 0 || isCallerAlive == false) {
         return (false);
}
```



L04. Missing sanity checks on adding and deleting miner functionalities

Impact	Low
Likelihood	Low

MinerList contract is a contract that helps other addresses that have MANAGER_ROLE on the protocol to add or delete miners from the protocol.

When a new miner is added, the <code>count[nodeType]</code> mapping, which holds the number of all miners of the specified node type, is increased. Likewise, when a miner is removed, this mapping is reduced by one.

However, there is no check to control if a miner already exists on the protocol or if a miner has already been removed from the protocol.

In this case, unexpected results may occur on the protocol.

```
function _addMiner(
        address minerAddress,
        MinerTypes.NodeType nodeType
) internal {
        list[minerAddress][nodeType] = true;
        count[nodeType]++;
        minerHealthCheck.manualPing(minerAddress, nodeType);

        emit AddMiner(minerAddress, nodeType);
}
```

```
function _deleteMiner(
        address minerAddress,
        MinerTypes.NodeType nodeType
) internal {
    delete list[minerAddress][nodeType];
    count[nodeType]--;

    emit DeleteMiner(minerAddress, nodeType);
}
```



Proof of Concept

```
function test_addMinerBug01() public {
    vm.startPrank(manager);
    minerList.addMiner(address(0x1), MinerTypes.NodeType.MacroArchive);
    minerList.addMiner(address(0x1), MinerTypes.NodeType.MacroArchive);
    minerList.addMiner(address(0x1), MinerTypes.NodeType.MacroArchive);
    vm.stopPrank();
    assertEq(minerList.count(MinerTypes.NodeType.MacroArchive), 1);
}

function test_removeMinerBug02() public {
    vm.startPrank(manager);
    minerList.addMiner(address(0x1), MinerTypes.NodeType.MacroArchive);
    minerList.deleteMiner(address(0x2), MinerTypes.NodeType.MacroArchive);
    vm.stopPrank();
    assertEq(minerList.count(MinerTypes.NodeType.MacroArchive), 1);
}
```

Test Result:

```
Running 2 tests for test/tests/utils/MinerList.t.sol:MinerListTest
[FAIL. Reason: Assertion failed.] test_addMinerBug01() (gas: 136682)
Logs:
    Error: a == b not satisfied [uint]
        Left: 3
        Right: 1

[FAIL. Reason: Assertion failed.] test_removeMinerBug02() (gas: 103762)
Logs:
    Error: a == b not satisfied [uint]
        Left: 0
        Right: 1

Test result: FAILED. 0 passed; 2 failed; 0 skipped; finished in 3.51ms
Ran 1 test suites: 0 tests passed, 2 failed, 0 skipped (2 total tests)
```

Path

utils/MinerList.sol
 utils/MinerList.sol#L87
 utils/MinerList.sol#L103



Recommendation

Consider adding sanity checks for following cases:

- 1. If the miner has been added before, it should be ensured that it cannot be added again.
- 2. If the miner has been removed from the protocol before, it cannot be deleted again.

Found in: e187053a

Status: Fixed (Revised commit: fbb83c)

Remediation: The isMiner() function now takes a place in MinerList.addMiner() and MinerList.deleteMiner() functions. Therefore, it will be impossible to add an existing miner and remove a non-existent miner from the contract.



L05. Ignored return values

Impact	Low
Likelihood	Low

The _incrementDailyActiveTimes(), _incrementDailyTotalActiveTimes() of MinerHealthCheck contract are declared to return a boolean return variable after successful operation. Additionally, the claimMacroDailyReward() function returns (uint256, uint256) as return value.

However, the MinerHealthCheck contract does not check any of these return variables. Calling these functions can break any integrations or composability in case of silent failures.

For instance, the *minerPool.claimMacroDailyReward()* function can return (0, 0) after increasing activity time for a miner.

Proof of Concept

N/A

Path

- utils/MinerHealthCheck.sol:
 - o utils/MinerHealthCheck.sol#L101
 - utils/MinerHealthCheck.sol#L102
 - utils/MinerHealthCheck.sol#L103



Recommendation

It is recommended to check returned values to understand if contract calls are correctly executed or not.

Found in: e187053a

Status: Fixed (Revised commit: 4de6d2)

Remediation: The return values for specified functions were completely removed since returned values will not take any place in the code.



L06. Bridge contracts are frozen by default

Impact	Low
Likelihood	Low

There are two different bridge contracts in the MetaGenesis contracts to transfer assets between different chains. These contracts inherit the Freezable contract to freeze contracts in case of any unwanted situation.

These bridge contracts are frozen by default since the inherited contract initializes the *frozen* variable as true. Therefore, these contracts cannot use their bridge() functionalities. The protocol owner must call the setFreeze(false) function to re-operate these contracts again.

bool public freezeStatus = true;

Proof of Concept

N/A

Path

- helpers/Freezeable.sol:
 - helpers/Freezeable.sol#L12
- utils/Bridge.sol:
 - o utils/Bridge.sol#L34
- utils/MainnetBridge.sol:
 - o utils/MainnetBridge.sol#L58

Recommendation

Consider setting the *freezeStatus* variable to false.

Found in: e187053a

Status: Fixed (Revised commit: 4de6d2)

Remediation: After the latest update, the freezeStatus variable is

initialized as false instead of true.



Informational

I01. Unneeded initializations of uint256 and bool variable to 0/false

In Solidity, it is common practice to initialize variables with default values when declaring them. However, initializing **uint256** variables to **0** and **bool** variables to **false** when they are not subsequently used in the code can lead to unnecessary gas consumption and code clutter. This issue points out instances where such initializations are present but serve no functional purpose.

There are several impacts of unneeded initializations:

- 1. Gas Consumption: Unneeded initializations of uint256 variables to 0 consume gas when deploying and executing smart contracts on the Ethereum blockchain. While the gas cost may be relatively small for individual variables, it can add up significantly in larger and more complex contracts, leading to higher transaction fees.
- 2.**Code Clutter:** Redundant initializations make the code less clean and harder to read. They can be confusing to developers who might wonder if the initialized values have some significance or are intended for future use.
- 3. Maintenance Overhead: Unnecessary initializations introduce additional lines of code that need to be maintained. If the initializations are forgotten or not updated when the variable's purpose changes, it can lead to bugs and inconsistencies in the contract logic.



Path

- MinerPool.sol:#L120
- MinerPool.sol:#L121
- MinerPool.sol:#L122
- MultiSigWallet.sol:#L108
- MinerFormulas.sol:#L121
- MinerFormulas.sol:#L122
- MinerFormulas.sol:#L156
- MinerFormulas.sol:#L157
- Metaminer.sol:#L209
- Metaminer.sol:#L307
- TxValidator.sol:#L283
- TxValidator.sol:#L284
- TxValidator.sol:#L286
- TxValidator.sol:#L312
- TxValidator.sol:#L318
- Multicall3.sol:#L49
- Multicall3.sol:#L74
- Multicall3.sol:#L149
- Multicall3.sol:#L201
- BlockValidator.sol:#L30
- BlockValidator.sol:#L103

Recommendation

Consider removing unnecessary initialization for these variables.

Found in: e187053a

Status: Fixed (Revised commit: 4de6d2)

Remediation: All unnecessary initializations for specified variables

were updated to their default values.



I02. Missing reentrancy guard

A Reentrancy attack in the context of Solidity and Ethereum smart contracts is a type of vulnerability that occurs when a malicious contract can repeatedly call back into another contract, potentially causing unexpected and harmful behavior. This attack is possible due to the nature of the Ethereum Virtual Machine (EVM) and how it handles external contract calls.

To protect against cross-function re-entrancy attacks, it may be necessary to use a mutex. By using this lock, an attacker can no longer exploit the withdrawal function with a recursive call.

OpenZeppelin has its own mutex implementation called ReentrancyGuard which provides a modifier to any function called nonReentrant that guards the function with a mutex against re-entrancy attacks.

There are multiple instances of missing reentrancy guard in the protocol. Therefore, it is important to add the **ReentrancyGuard's** nonReentrant modifier to these functions.

RewardsPool.claim():

```
function claim(
    address receiver
) external onlyManagerRole(msg.sender) returns (uint256) {
    uint256 amount = calculateClaimableAmount();

    claimedAmounts[receiver] += amount;

    (bool sent, ) = receiver.call{value: amount}("");
    require(sent, "RewardsPool: Unable to claim");

    emit HasClaimed(receiver, amount);

    return amount;
}
```

MinerPool.claimTxReward():

```
function claimTxReward(
    address receiver,
    uint256 amount
) external onlyManagerRole(msg.sender) {
    (bool sent, ) = receiver.call{value: amount}("");
    emit HasClaimed(receiver, amount, "TX_REWARD");
    require(sent, "MinerPool: Unable to send");
}
```



MinerPool.claimMacroDailyReward():

```
if (secondAmount > 0) {
          (bool isSecondAmountSent, ) = receiver.call{value: secondAmount}(
          );
```

BlockValidator.finalizeBlock():

$Metaminer.unsubscribe() \rightarrow Metaminer._unsubscribe():$

```
function unsubscribe() external isMiner(msg.sender) returns (bool) {
    _unsubscribe(msg.sender);
    emit MinerUnsubscribe(msg.sender);
    return (true);
}
```

```
function _unsubscribe(address miner) internal returns (bool) {
        (bool sent, ) = address(miner).call{value: STAKE_AMOUNT}("");
        require(sent, "Metaminer: Unsubsribe failed");
        minerList.deleteMiner(miner, MinerTypes.NodeType.Meta);
        minerSubscription[miner] = 0;
        // must be delete old shareholders
        return (true);
}
```



TxValidator.voteTransaction() \rightarrow TxValidator._checkTransactionState() \rightarrow TxValidator._shareRewards() \rightarrow MinerPool.claimTxReward():

```
TransactionState txState = _checkTransactionState(txHash);
```

Proof of Concept

N/A

Path

- core/RewardsPool.sol
 - o core/RewardsPool.sol#L51-64
- core/MinerPool.sol:
 - o core/MinerPool.sol#L64
 - o core/MinerPool.sol#L99
- utils/BlockValidator.sol:
 - utils/BlockValidator.sol#L91
- utils/Metaminer.sol:
 - utils/Metaminer.sol#L155
 - utils/Metaminer.sol#L238
- utils/TxValidator.sol:
 - utils/TxValidator.sol#L157
 - o utils/TxValidator.sol#L209



Recommendation

It is recommended to implement **nonReentrant** modifiers for aforementioned functions as an additional safe guard on top of the Check-Effect-Interaction pattern application to avoid reentrancy attacks.

Found in: e187053a

Status: Fixed (Revised commit: ca9508)

Remediation: The nonReentrant modifier was added to:

• RewardsPool.claim()

MinerPool.claimTxRewards()

MinerPool.claimMacroDailyRewards()

• BlockValidator.finalizeBlock()

Metaminer.unsubscribe()

• TxValidator.voteTransaction() functions.



IO3. Revert string size optimization

Shortening the revert strings to fit within 32 bytes will decrease deployment time gas and decrease runtime gas when the revert condition is met.

Revert strings that are longer than 32 bytes require at least one additional **mstore**, along with additional overhead to calculate memory offset, etc.

Path

- RolesHandler.sol:#L19
- RolesHandler.sol:#L31
- RolesHandler.sol:#L43
- RolesHandler.sol:#L55
- RewardsPool.sol:#L40
- MinerPool.sol:#L50
- Blacklistable.sol:#L22
- Freezeable.sol:#L21
- MainnetBridge.sol:#L33
- MainnetBridge.sol:#L92
- MainnetBridge.sol:#L93
- MinerList.sol:#L38
- Macrominer.sol:#L63
- Macrominer.sol:#L74
- Macrominer.sol:#L109
- Macrominer.sol:#L134
- MultiSigWallet.sol:#L102
- Bridge.sol:#L39
- MinerFormulas.sol:#L77
- Metaminer.sol:#L63
- Metaminer.sol:#L75
- Metaminer.sol:#L101
- Metaminer.sol:#L120
- Metaminer.sol:#L142
- Metaminer.sol:#L168
- Metaminer.sol:#L209
- Metaminer.sol:#L209
- Metaminer.sol:#L209
- TxValidator.sol:#L100
- TxValidator.sol:#L163
- TxValidator.sol:#L180
- TxValidator.sol:#L184
- MinerHealthCheck.sol:#L45
- MinerHealthCheck.sol:#L67
- MinerHealthCheck.sol:#L74
- MinerHealthCheck.sol:#L135
- BlockValidator.sol:#L52
- BlockValidator.sol:#L69



• BlockValidator.sol:#L73

• BlockValidator.sol:#L77

• BlockValidator.sol:#L95

• Microminer.sol:#L33

• Microminer.sol:#L45

• Microminer.sol:#L68

• Microminer.sol:#L84

Recommendation

It is recommended to shorten (32 bytes max) all revert messages in the protocol to optimize gas usage.

Found in: e187053a

Status: Fixed (Revised commit: 1af645)

Remediation: All revert strings in the codebase were shortened to

under 32 bytes to optimize gas consumption.



I04. Splitting require() statements that use && saves gas

Instead of using the && (AND) operator in a single require statement to check multiple conditions, using multiple require statements with 1 condition per require() statement will save 3 GAS per &&:

Path

Macrominer.sol:#L109
MultiSigWallet.sol:#L102
MinerFormulas.sol:#L77
Metaminer.sol:#L101
TxValidator.sol:#L100
TxValidator.sol:#L184

MinerHealthCheck.sol:#L67

• Microminer.sol:#L68

Recommendation

Consider splitting require() statements.

Instead of:

Use the following pattern:

```
require(minerHealthCheckAddress != address(0),"zero addr");
require(metapointsAddress != address(0),"zero addr");
require(minerListAddress != address(0),"zero addr");
```

Found in: e187053a

Status: Fixed (Revised commit: *102f7b*)

Remediation: All specified require() expressions were split into

multiple parts in the code base to optimize gas consumption.



I05. Use "!= 0" Instead of "> 0" for Unsigned Integer Comparison

In Solidity, unsigned integers (e.g., uint256, uint8, etc.) represent non-negative whole numbers, ranging from 0 to a maximum value determined by their bit size. When performing comparisons on these numbers, especially to check if they are non-zero, developers have options. A common practice is to compare against zero using the ">" operator, as in "value > 0". However, given the nature of unsigned integers, a more straightforward and slightly gas-efficient comparison is to use the "!=" operator, as in "value != 0".

The primary rationale is that the "!=" comparison directly checks for non-equality, whereas the ">" comparison checks if one value is strictly greater than another. For unsigned integers, where negative values do not exist, the "!= 0" check is both semantically clearer and potentially more efficient at the EVM bytecode level.

Path

- MinerPool.sol:#L75
- MinerPool.sol:#L82
- MainnetBridge.sol:#L92
- MultiSigWallet.sol:#L103
- Bridge.sol:#L39
- TxValidator.sol:#L267

Recommendation

It is recommended to use "!=0" instead of "> 0".

Found in: e187053a

Status: Fixed (Revised commit: 102f7b)

Remediation: All "> 0" expressions were replaced with "!=0" to optimize gas consumption with the latest update.



I06. Internal functions not called by the contract should be removed

In Solidity, functions labeled as **internal** are meant to be used only within the contract in which they are defined or in derived contracts. They cannot be accessed from external transactions. While **internal** functions offer modularity and can be leveraged to break down complex logic, it's essential to monitor their relevance during the contract's lifecycle.

A common oversight during smart contract development is the presence of **internal** functions that remain within the contract code but are never called by any other function or part of the contract. These redundant functions occupy space, make the contract's bytecode longer, and, as a consequence, increase the contract deployment cost. Moreover, they can add unnecessary complexity to the code, making it harder to read, maintain, and audit.

Path

• MetaPoints.sol:#L130

Recommendation

Consider removing unused **internal** functions since removing unused functions simplifies the contract's structure, reduces costs, and mitigates potential risks associated with unintended code behavior.

Found in: e187053a

Status: **Fixed** (Revised commit: *102f7b*)

Remediation: Specified internal function has been removed from the

codebase.



Disclaimers

Hacken Disclaimer

The smart contracts given for audit have been analyzed based on best industry practices at the time of the writing of this report, with 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).

The report contains no statements or warranties on the identification of all vulnerabilities and security of the code. The report covers the code submitted and reviewed, so it may not be relevant after any modifications. Do not consider this report as a final and sufficient assessment regarding the utility and safety of the code, bug-free status, or any other contract statements.

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 recommend proceeding with several independent audits and a public bug bounty program to ensure the security of smart contracts.

English is the original language of the report. The Consultant is not responsible for the correctness of the translated versions.

Technical Disclaimer

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



Appendix 1. Severity Definitions

When auditing smart contracts Hacken is using a risk-based approach that considers the potential impact of any vulnerabilities and the likelihood of them being exploited. The matrix of impact and likelihood is a commonly used tool in risk management to help assess and prioritize risks.

The impact of a vulnerability refers to the potential harm that could result if it were to be exploited. For smart contracts, this could include the loss of funds or assets, unauthorized access or control, or reputational damage.

The likelihood of a vulnerability being exploited is determined by considering the likelihood of an attack occurring, the level of skill or resources required to exploit the vulnerability, and the presence of any mitigating controls that could reduce the likelihood of exploitation.

Risk Level	High Impact	Medium Impact	Low Impact
High Likelihood	Critical	High	Medium
Medium Likelihood	High	Medium	Low
Low Likelihood	Medium	Low	Low

Risk Levels

Critical: Critical vulnerabilities are usually straightforward to exploit and can lead to the loss of user funds or contract state manipulation.

High: High vulnerabilities are usually harder to exploit, requiring specific conditions, or have a more limited scope, but can still lead to the loss of user funds or contract state manipulation.

Medium: Medium vulnerabilities are usually limited to state manipulations and, in most cases, cannot lead to asset loss. Contradictions and requirements violations. Major deviations from best practices are also in this category.

Low: Major deviations from best practices or major Gas inefficiency. These issues will not have a significant impact on code execution, do not affect security score but can affect code quality score.



Impact Levels

High Impact: Risks that have a high impact are associated with financial losses, reputational damage, or major alterations to contract state. High impact issues typically involve invalid calculations, denial of service, token supply manipulation, and data consistency, but are not limited to those categories.

Medium Impact: Risks that have a medium impact could result in financial losses, reputational damage, or minor contract state manipulation. These risks can also be associated with undocumented behavior or violations of requirements.

Low Impact: Risks that have a low impact cannot lead to financial losses or state manipulation. These risks are typically related to unscalable functionality, contradictions, inconsistent data, or major violations of best practices.

Likelihood Levels

High Likelihood: Risks that have a high likelihood are those that are expected to occur frequently or are very likely to occur. These risks could be the result of known vulnerabilities or weaknesses in the contract, or could be the result of external factors such as attacks or exploits targeting similar contracts.

Medium Likelihood: Risks that have a medium likelihood are those that are possible but not as likely to occur as those in the high likelihood category. These risks could be the result of less severe vulnerabilities or weaknesses in the contract, or could be the result of less targeted attacks or exploits.

Low Likelihood: Risks that have a low likelihood are those that are unlikely to occur, but still possible. These risks could be the result of very specific or complex vulnerabilities or weaknesses in the contract, or could be the result of highly targeted attacks or exploits.

Informational

Informational issues are mostly connected to violations of best practices, typos in code, violations of code style, and dead or redundant code.

Informational issues are not affecting the score, but addressing them will be beneficial for the project.



Appendix 2. Scope

The scope of the project includes the following smart contracts from the provided repository:

Audit Scope

Repository	https://github.com/Metatime-Technology-Inc/genesis-contracts
Initial Commit	e187053ae4654e4ff25e6b55c5a7435e9fc2bb34
Remediation Commit	f79c00bf61c21865d615193759db9b5ca7c4e9f0
Final Commit	8cd0c6667bd4c42f6554d2ae0aa8d4daa8ea998e
Whitepaper	<u>Link</u>
Requirements	N/A
Technical Requirements	N/A
Contracts	MinerPool.sol RewardsPool.sol Blacklistable.sol Freezeable.sol RolesHandler.sol MinerTypes.sol BlockValidator.sol Bridge.sol Macrominer.sol MainnetBridge.sol MetaPoints.sol Metaminer.sol Microminer.sol Microminer.sol MinerFormulas.sol MinerHealthCheck.sol MinerList.sol MultiSigWallet.sol Multicall3.sol Roles.sol TxValidator.sol