SALUS SECURITY

MAR 2025

CODE SECURITY ASSESSMENT

LNDFI

Overview

Project Summary

- Name: LNDfi - LND v3 core
- Platform: EVM-compatible chains
- Language: Solidity
- Repository:
    - https://github.com/LNDfi/LND-v3-core
- Audit Range: See Appendix - 1

Project Dashboard

Application Summary

Name	LNDfi - LND v3 core
Version	v2
Type	Solidity
Dates	Mar 14 2025
Logs	Mar 13 2025; Mar 14 2025

Vulnerability Summary

Total High-Severity issues	0
Total Medium-Severity issues	0
Total Low-Severity issues	1
Total informational issues	1
Total	2

Contact

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Risk Level Description

High Risk	The issue puts a large number of users' sensitive information at risk, or is reasonably likely to lead to catastrophic impact for clients' reputations or serious financial implications for clients and users.
Medium Risk	The issue puts a subset of users' sensitive information at risk, would be detrimental to the client's reputation if exploited, or is reasonably likely to lead to a moderate financial impact.
Low Risk	The risk is relatively small and could not be exploited on a recurring basis, or is a risk that the client has indicated is low impact in view of the client's business circumstances.
Informational	The issue does not pose an immediate risk, but is relevant to security best practices or defense in depth.

Content

Introduction

1.1 About SALUS

At Salus Security, we are in the business of trust.

We are dedicated to tackling the toughest security challenges facing the industry today. By building foundational trust in technology and infrastructure through security, we help clients to lead their respective industries and unlock their full Web3 potential.

Our team of security experts employ industry-leading proof-of-concept (PoC) methodology for demonstrating smart contract vulnerabilities, coupled with advanced red teaming capabilities and a stereoscopic vulnerability detection service, to deliver comprehensive security assessments that allow clients to stay ahead of the curve.

In addition to smart contract audits and red teaming, our Rapid Detection Service for smart contracts aims to make security accessible to all. This high calibre, yet cost-efficient, security tool has been designed to support a wide range of business needs including investment due diligence, security and code quality assessments, and code optimisation.

We are reachable on Telegram (https://t.me/salusec), Twitter (https://twitter.com/salus_sec), or Email (support@salusec.io).

1.2 Audit Breakdown

The objective was to evaluate the repository for security-related issues, code quality, and adherence to specifications and best practices. Possible issues we looked for included (but are not limited to):

- Risky external calls
- Integer overflow/underflow
- Transaction-ordering dependence
- Timestamp dependence
- Access control
- Call stack limits and mishandled exceptions
- Number rounding errors
- Centralization of power
- Logical oversights and denial of service
- Business logic specification
- Code clones, functionality duplication

1.3 Disclaimer

Note that this security audit is not designed to replace functional tests required before any software release and does not give any warranties on finding all possible security issues with the given smart contract(s) or blockchain software, i.e., the evaluation result does not guarantee the nonexistence of any further findings of security issues.

Findings

2.1 Summary of Findings

ID	Title	Severity	Category	Status
1	Missing events for functions that change critical state	Low	Logging	Resolved
2	Use of floating pragma	Informational	Configuration	Mitigated

2.2 Notable Findings

Significant flaws that impact system confidentiality, integrity, or availability are listed below.

1. Missing events for functions that change critical state

Severity: Low	Category: Logging
Target: - contracts\protocol\pool\Pool.sol	

Description

Events allow capturing the changed parameters so that off-chain tools/interfaces can register such changes that allow users to evaluate them. Missing events do not promote transparency and if such changes immediately affect users' perception of fairness or trustworthiness, they could exit the protocol causing a reduction in protocol users.

In the `Pool` contract, events are lacking in the privileged setter function `setAssetWeights()`.

Recommendation

It is recommended to emit events for critical state changes.

Status

The team has resolved this issue in commit a15abbb.

2.3 Informational Findings

2. Use of floating pragma

Severity: Informational	Category: Configuration
Target: - All	

Description

```
pragma solidity ^0.8.10;
```

All contracts use a floating compiler version `^0.8.10`.

Using a floating pragma `^0.8.10` statement is discouraged, as code may compile to different bytecodes with different compiler versions. Use a locked pragma statement to get a deterministic bytecode. Also use the latest Solidity version to get all the compiler features, bug fixes and optimizations.

Recommendation

It is recommended to use a locked Solidity version throughout the project. It is also recommended to use the most stable and up-to-date version.

Status

The team has stated that they will use the same compiler version as Aave V3 for deployment.

Appendix

Appendix 1 - Files in Scope

The codebase is forked from AAVE v3, and this audit includes the following file changes in commit 844e395:

File	SHA-1 hash
contracts\protocol\pool\Pool.sol	8411aed496cc23599278bfbfd373e496bd9f7cee
contracts\protocol\pool\PoolStorage.sol	db6235a2e8b21ca175a142a464b4415edb77b82e