

Blockchain Security | Smart Contract Audits | KYC Development | Marketing



Zero Sum

AUDIT

SECURITY ASSESSMENT

24. October, 2023

FOR







SOLIDProof

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Introduction

<u>SolidProof.io</u> is a brand of the officially registered company MAKE Network GmbH, based in Germany. We're mainly focused on Blockchain Security such as Smart Contract Audits and KYC verification for project teams. Solidproof.io assess potential security issues in the smart contracts implementations, review for potential inconsistencies between the code base and the whitepaper/documentation, and provide suggestions for improvement.

Disclaimer

<u>SolidProof.io</u> reports are not, nor should be considered, an "endorsement" or "disapproval" of any particular project or team. These reports are not, nor should be considered, an indication of the economics or value of any "product" or "asset" created by any team. SolidProof.io do not cover testing or auditing the integration with external contract or services (such as Unicrypt, Uniswap, PancakeSwap etc'...)

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SolidProof.io Reports represent an extensive auditing process intending to help our customers increase the quality of their code while reducing the high level of risk presented by cryptographic tokens and blockchain technology. Blockchain technology and cryptographic assets present a high level of ongoing risk. SolidProof's position is that each company and individual are responsible for their own due diligence and continuous security. SolidProof in no way claims any guarantee of the security or functionality of the technology we agree to analyze.



Project Overview

Summary

Project Name	ZeroSum				
Website	https://test.zerosum.world/				
About the project	ZΣROSUM is a GameFi ecosystem that lets gamers experience the new game design possibilities of web3 and lets developers start earning within hours with one simple principle: a focus on competition.				
Chain	Avalanche, Binance Smart Chain, Polygon, Base Scan, Mantle				
Language	Solidity				
Codebase Link	Provided as Files (Private Repo)				
Commit	N/A				
Unit Tests	Provided				

Social Medias

Telegram	N/A
Twitter	https://twitter.com/ZeroSum_Play
Facebook	N/A
Instagram	N/A
Github	N/A
Reddit	N/A
Medium	N/A
Discord	https://discord.com/invite/zerosum
Youtube	N/A
TikTok	N/A
LinkedIn	N/A

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Audit Summary

Version	Delivery Date	Changelog
v1.0	21. October 2023	Layout ProjectAutomated-/Manual-Security TestingSummary
∨1.1	24. October 2023	· Reaudit

Note - The following audit report presents a comprehensive security analysis of the smart contract utilized in the project that includes outside manipulation of the contract's functions in a malicious way. This analysis did not include functional testing (or unit testing) of the contract/s logic. We cannot guarantee 100% logical correctness of the contract as we did not functionally test it. This includes internal calculations in the formulae used in the contract.



File Overview

The Team provided us with the files that should be tested in the security assessment. This audit covered the following files listed below with an SHA-1 Hash.

File Name	SHA-1 Hash
contracts/Treasury.sol	972973da683617e0f100ae857e66bf13b0e9d78d
contracts/Adminable.sol	117f7fc7bb974fc81795df54d49b56139ee0dcfa
contracts/ GameProvider.sol	5c1b0c48769ee494fd2956b3cc67a39e08b460dd
contracts/Proxy.sol	4b616905c32c5cbf35ae75f9435f17466f6741f7
contracts/FeeProvider.sol	c43273b3a2d205fbe0da0e3c0a2bc1039f925eb5
contracts/Pausable.sol	26897eba719cf7017d4d6f66f09ee5ec2b059bff
contracts/ TournamentProviderV2.sol	555c242f039044d33fc725ecfcb2a8e8ab75dcb0

Please note: Files with a different hash value than in this table have been modified after the security check, either intentionally or unintentionally. A different hash value may (but need not) indicate a changed state or potential vulnerability that was not the subject of this scan.



Imported packages

Used code from other Frameworks/Smart Contracts (direct imports).

Dependency / Import Path	Count
@openzeppelin/contracts/token/ERC20/ERC20.sol	1

Note for Investors: We only audited contracts mentioned in the scope above. Apart from that, all contracts related to the project are not a part of the audit, and we cannot comment on its security and are not responsible for it in any way. Moreover, the "BookmakerV2" interface used in the contracts was only provided in the audit scope as an interface, not the complete code, which is why it is not part of the audit scope.



Audit Information

Vulnerability & Risk Level

Risk represents the probability that a certain source threat will exploit vulnerability and the impact of that event on the organization or system. The risk Level is computed based on CVSS version 3.0.

Level	Value	Vulnerability	Risk (Required Action)
Critical	9 - 10	A vulnerability that can disrupt the contract functioning in a number of scenarios, or creates a risk that the contract may be broken.	Immediate action to reduce risk level.
High	7 – 8.9	A vulnerability that affects the desired outcome when using a contract, or provides the opportunity to use a contract in an unintended way.	Implementation of corrective actions as soon aspossible.
Medium	4 – 6.9	A vulnerability that could affect the desired outcome of executing the contract in a specific scenario.	Implementation of corrective actions in a certain period.
Low	2 – 3.9	A vulnerability that does not have a significant impact on possible scenarios for the use of the contract and is probably subjective.	Implementation of certain corrective actions or accepting the risk.
Informational	0 – 1.9	A vulnerability that have informational character but is not effecting any of the code.	An observation that does not determine a level of risk



Auditing Strategy and Techniques Applied

Throughout the review process, care was taken to check the repository for security-related issues, code quality, and compliance with specifications and best practices. To this end, our team of experienced pen-testers and smart contract developers reviewed the code line by line and documented any issues discovered.

We check every file manually. We use automated tools only so that they help us achieve faster and better results.

Methodology

The auditing process follows a routine series of steps:

- 1. Code review that includes the following:
 - a. Review the specifications, sources, and instructions provided to SolidProof to ensure we understand the smart contract's size, scope, and functionality.
 - b. Manual review of the code, i.e., reading the source code line by line to identify potential vulnerabilities.
 - c. Comparison to the specification, i.e., verifying that the code does what is described in the specifications, sources, and instructions provided to SolidProof.
- 2. Testing and automated analysis that includes the following:
 - a. Test coverage analysis determines whether test cases cover code and how much code is executed when those test cases are executed.
 - b. Symbolic execution is analysing a program to determine what inputs cause each part of a program to execute.
- 3. Review best practices, i.e., review smart contracts to improve efficiency, effectiveness, clarity, maintainability, security, and control based on best practices, recommendations, and research from industry and academia.
- 4. Concrete, itemized and actionable recommendations to help you secure your smart contracts.



Overall Security Upgradeability

Contract is an upgradeable	X Deployer can update the contract with new functionalities
Description	The deployer can replace the old contract with a new one with new features. Be aware of this, because the owner can add new features that may have a negative impact on your investments.
Example	We assume that you have funds in the contract and it has been audited by any security audit firm. Now the audit has passed. After that, the deployer can upgrade the contract to allow him to transfer the funds you purchased without any approval from you. This has the consequence that your funds can be taken by the creator.
Comment	N/A

Alleviation - "We are not a fully decentralized protocol; the task of the submitted contracts is to process wagers and show users the fairness of the reward payment. The logic of the contracts and parameters will change with the company's development, so we can not prohibit the ability to upgrade the contracts."



Ownership

The ownership is not renounced	X The owner is not renounce
Description	The owner has not renounced the ownership that means that the owner retains control over the contract's operations, including the ability to execute functions that may impact the contract's users or stakeholders. This can lead to several potential issues, including: - Centralizations - The owner has significant control over contract's operations
Comment	N/A

Note - If the contract is not deployed, we would consider the ownership not renounced. Moreover, if there are no ownership functionalities, ownership is automatically considered renounced.



Ownership Privileges

These functions can be dangerous. Please note that abuse can lead to financial loss. We have a guide where you can learn more about these Functions.

Minting tokens

Minting tokens refer to the process of creating new tokens in a cryptocurrency or blockchain network. This process is typically performed by the project's owner or designated authority, who has the ability to add new tokens to the network's total supply.

Contract owner cannot mint new tokens	The owner cannot mint new token				
Description	The owner is not able to mint new tokens once the contract is deployed.				
Comment	N/A				



Burning tokens

Burning tokens is the process of permanently destroying a certain number of tokens, reducing the total supply of a cryptocurrency or token. This is usually done to increase the value of the remaining tokens, as the reduced supply can create scarcity and potentially drive up demand.

		The owner cannot burn tokens					
	is	not	able	burn	tokens	without	any
4							
	e owner owances.	owances.	owances.	owances.	owances.	owances.	



Blacklist addresses

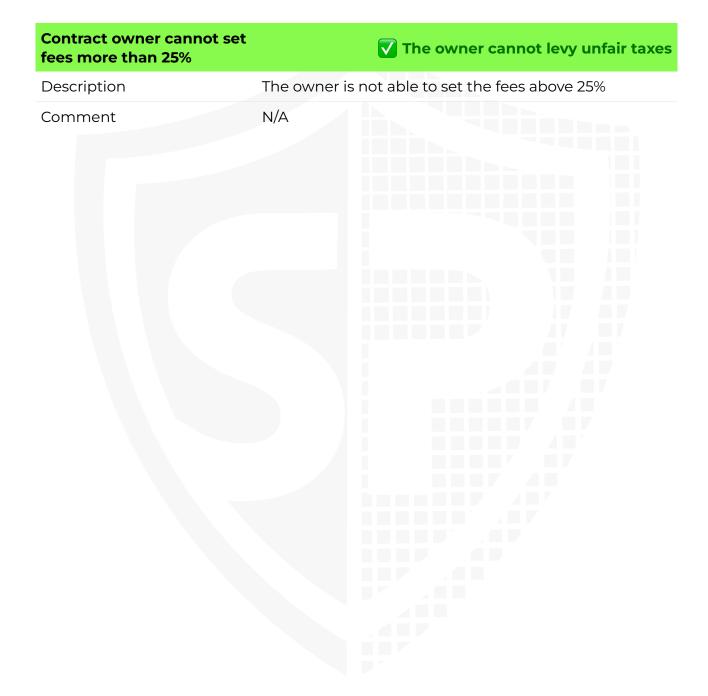
Blacklisting addresses in smart contracts is the process of adding a certain address to a blacklist, effectively preventing them from accessing or participating in certain functionalities or transactions within the contract. This can be useful in preventing fraudulent or malicious activities, such as hacking attempts or money laundering.





Fees and Tax

In some smart contracts, the owner or creator of the contract can set fees for certain actions or operations within the contract. These fees can be used to cover the contract's cost, such as paying for gas fees or compensating the contract's owner for their time and effort in developing and maintaining the contract.





Lock User Funds

In a smart contract, locking refers to restricting access to certain tokens or assets for a specified period. When tokens or assets are locked in a smart contract, they cannot be transferred or used until the lock-up period has expired or certain conditions have been met.

Owner cannot lock the contract	The owner cannot lock the contract	
Description	The owner is not able to lock the contract by any functions or updating any variables.	
Comment	Direct lock of funds is not possible but the game will only end when the admin will manually end it.	



External/Public functions

External/public functions are functions that can be called from outside of a contract, i.e., they can be accessed by other contracts or external accounts on the blockchain. These functions are specified using the function declaration's external or public visibility modifier.

State variables

State variables are variables that are stored on the blockchain as part of the contract's state. They are declared at the contract level and can be accessed and modified by any function within the contract. State variables can be defined with a visibility modifier, such as public, private, or internal, which determines the access level of the variable.

Components

Contracts	E Libraries	Interfaces	Abstract
7	0	0	0

Exposed Functions

This section lists functions that are explicitly declared public or payable. Please note that getter methods for public stateVars are not included.

Public	S Payable	
39	3	

External	Internal	Private	Pure	View
32	63	6	0	9

StateVariables

Total	Public
20	10



Capabilities

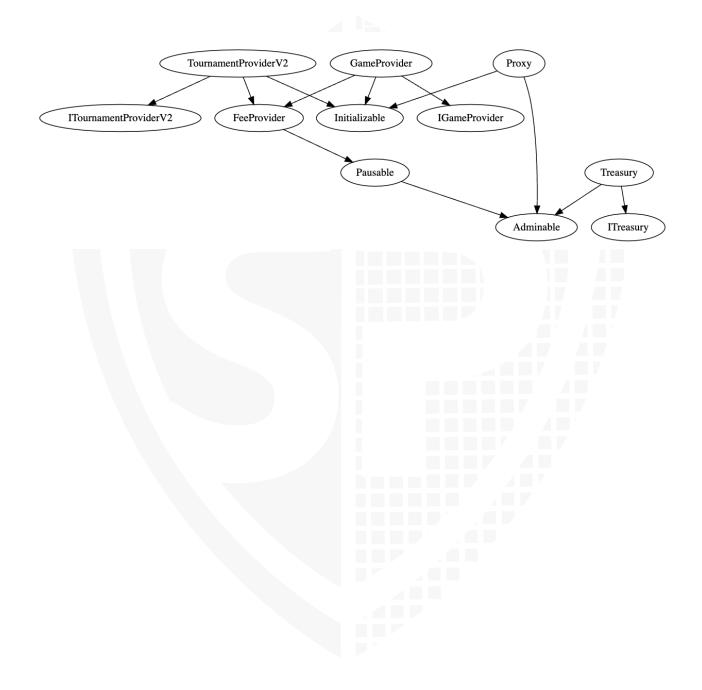
Solidity Versions observed	Experimenta I Features	Can Receive Funds	Uses Assembl y	Has Destroyable Contracts
0.8.7		Yes		





Inheritance Graph

An inheritance graph is a graphical representation of the inheritance hierarchy among contracts. In object-oriented programming, inheritance is a mechanism that allows one class (or contract, in the case of Solidity) to inherit properties and methods from another class. It shows the relationships between different contracts and how they are related to each other through inheritance.





Centralization Privileges

Centralization can arise when one or more parties have privileged access or control over the contract's functionality, data, or decision-making. This can occur, for example, if a single entity controls the contract or if certain participants have special permissions or abilities that others do not.

In the project, some authorities have access to the following functions:

File	Privileges
Adminable.sol	onlyAdminGrant the Admin Role to other addresses
FeeProvider.sol	 onlyAdmin Set Platform Wallet, Token, and Treasury Address Set Base fees upto 100% Set the types of fee
GameProvider.sol	 onlyAdmin Set Minimal Wager of the game to an arbitrary value Start and Finish the Game Cancel the Game
TournamentProviderV2.sol	 onlyAdmin Set Bookmaker Address Set Minimal Admission and Sponsor Pool Fee to an arbitrary value Start, Finish, and Cancel the tournament Set hash that will be used to calculate the "uuid" of each tournament

Recommendations

To avoid potential hacking risks, it is advisable for the client to manage the private key of the privileged account with care. Additionally, we recommend enhancing the security practices of centralized privileges or roles in the protocol through a decentralized mechanism or smartcontract-based accounts, such as multi-signature wallets.

Here are some suggestions of what the client can do:

- Consider using multi-signature wallets: Multi-signature wallets require multiple parties to sign off on a transaction before it can be executed, providing an extra layer of security e.g. Gnosis Safe



- Use of a timelock at least with a latency of e.g. 48-72 hours for awareness of privileged operations
- Introduce a DAO/Governance/Voting module to increase transparency and user involvement
- Consider Renouncing the ownership so that the owner cannot modify any state variables of the contract anymore. Make sure to set up everything before renouncing.





Audit Results

Critical issues

No critical issues

High issues

No high issues

Medium issues

No medium issues



Low issues

#1 | Missing Zero Address Validation

File	Severity	Location	Status
FeeProvider	Low	L75, 79	Fixed

Description - Make sure to validate that the address passed in the function parameters is "non-zero" and not the Dead Address Either. Thus, it must be a valid address.

#2 | Missing Events

File	Severity	Location	Status
FeeProvider	Low	All	Fixed
Treasury	Low	L20	Fixed

Description - Make sure to emit events for all the critical parameter changes in the contract to ensure the transparency and trackability of all the state variable changes.

#3 | Missng "isContract" check

File	Severity	Location	Status
FeeProvider	Low	L75	Fixed

Description - The contract has no checks to verify whether an EOA or contract is being set as the Token address. However, multiple calculations will fail if an EOA is set accidentally as the Token address.

Remediation - We recommend putting in a check to verify that the token address must be a contract.



Informational issues

#1 | NatSpec documentation missing

File	Severity	Location	Status
All	Informational	N/A	ACK

Description - If you started to comment on your code, comment on all other functions, variables etc.

#2 | Disable initializing

File	Severity	Location	Status
All Upgradeable Contracts	Informational	N/A	Fixed

Description - If the owner updates the contract, a disableInitializer call in the constructor must be implemented. This prevents calling the initialize function again to set the state variables in the contract. This should be implemented only if the contract was deployed before. Otherwise, the owner cannot call the initialize function to set the variables.

Recommendation - If the contract hasn't been deployed, remove the disableInitializer in the constructor. Otherwise, you are not able to initialize the contract. When the contract has a deployed version already, leave it as it is.

#3 | Floating Pragma

File	Severity	Location	Status
FeeProvider	Informational	L4	Fixed

Description - The contracts should be deployed with the same compiler version and flag that they have been tested thoroughly. Locking the pragma helps to ensure that contracts do not accidentally get deployed using other versions.



#4 | Contract doesn't import npm packages from source (like OpenZeppelin etc.)

File	Severity	Location	Status
Adminable	Informational	N/A	Fixed

Description - We recommend importing all packages from npm directly without flattening the contract. Functions could be modified or can be susceptible to vulnerabilities.

Legend for the Issue Status

Attribute or Symbol	Meaning	
Open	The issue is not fixed by the project team.	
Fixed	The issue is fixed by the project team.	
Acknowledged(ACK)	The issue has been acknowledged or declared as part of business logic.	



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