



Frexa

Smart Contract Security Audit

January, 2021

TechRate

Disclaimer

This is a limited report on our findings based on our analysis, in accordance with good industry practice as at the date of this report, in relation to cybersecurity vulnerabilities and issues in the framework and algorithms based on smart contracts, the details of which are set out in this report. In order to get a full view of our analysis, it is crucial for you to read the full report. While we have done our best in conducting our analysis and producing this report, it is important to note that you should not rely on this report and cannot claim against us on the basis of what it says or doesn't say, or how we produced it, and it is important for you to conduct your own independent investigations before making any decisions. We go into more detail on this in the below disclaimer below – please make sure to read it in full.

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The analysis of the security is purely based on the smart contracts alone. No applications or operations were reviewed for security. No product code has been reviewed.

Background

TechRate was commissioned by Frexa to perform an audit of smart contracts:

- <https://github.com/FREXA-Inc/frexa-contracts/blob/222e97168cfb48b8e3e46c1d645d3dc416b27ed2/contracts/FREXAManager.sol>
- <https://github.com/FREXA-Inc/frexa-contracts/blob/222e97168cfb48b8e3e46c1d645d3dc416b27ed2/contracts/FREXAManagerProxy.sol>
- <https://github.com/FREXA-Inc/frexa-contracts/blob/222e97168cfb48b8e3e46c1d645d3dc416b27ed2/contracts/FREXAMultisigWallet.sol>
- <https://github.com/solidstate-network/solidstate-contracts/blob/f53bdecc071765db04f3877dc3593e527c19a6da/contracts/architecture/diamond/DiamondBase.sol>
- <https://github.com/solidstate-network/solidstate-contracts/blob/f53bdecc071765db04f3877dc3593e527c19a6da/contracts/multisig/ECDSAMultisigWalletStorage.sol>
- <https://github.com/solidstate-network/solidstate-contracts/blob/f53bdecc071765db04f3877dc3593e527c19a6da/contracts/multisig/ECDSAMultisigWallet.sol>

The purpose of the audit was to achieve the following:

- Ensure that the smart contract functions as intended.
- Identify potential security issues with the smart contract.

The information in this report should be used to understand the risk exposure of the smart contract, and as a guide to improve the security posture of the smart contract by remediating the issues that were identified.

Issues Checking Status

No.	Issue description.	Checking status
1	Compiler warnings.	Passed
2	Race conditions and Reentrancy. Cross-function race conditions.	Passed
3	Possible delays in data delivery.	Passed
4	Oracle calls.	Passed
5	Front running.	Passed
6	Timestamp dependence.	Passed
7	Integer Overflow and Underflow.	Passed
8	DoS with Revert.	Passed
9	DoS with block gas limit.	Passed
10	Methods execution permissions.	Passed
11	Economy model. If application logic is based on an incorrect economic model, the application would not function correctly and participants would incur financial losses. This type of issue is most often found in bonus rewards systems, Staking and Farming contracts, Vault and Vesting contracts, etc.	Passed
12	The impact of the exchange rate on the logic.	Passed
13	Private user data leaks.	Passed
14	Malicious Event log.	Passed
15	Scoping and Declarations.	Passed
16	Uninitialized storage pointers.	Passed
17	Arithmetic accuracy.	Passed

18	Design Logic.	Passed
19	Cross-function race conditions.	Passed
20	Safe Zeppelin module.	Passed
21	Fallback function security.	Passed

Security Issues

High Severity Issues

No high severity issues found.

Medium Severity Issues

No medium severity issues.

Low Severity Issues and Recommendations

1. Memory overwrite possible

Issue:

Inside assembly you copy your data into memory starting at address 0. This will work for return sizes less than 64 bytes, but will start overwriting other memory at that point.

In contracts [FREXAManagedProxy](#) and [DiamondBase.sol](#).

Recommendation:

You should do it like that:

```
assembly {  
    let ptr := mload(0x40)  
    calldatacopy(ptr, 0, calldatasize())  
    let result := delegatecall(gas(), implementation, ptr, calldatasize(), 0, 0)  
    returndatacopy(ptr, 0, returndatasize())  
  
    switch result  
        case 0 { revert(ptr, returndatasize()) }  
        default { return(ptr, returndatasize()) }  
}
```

Here is the code example from [OpenZeppelin](#).

Conclusion

Smart contracts do not contain any high severity issues.