

Land and Tunnel Audit



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This security assessment was prepared by OpenZeppelin.

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Summary

Type NFT

Timeline From 2023-04-03

To 2023-05-08

Languages Solidity

Total Issues 34 (25 resolved, 3 partially resolved)

Critical Severity

Issues

0 (0 resolved)

High Severity

Issues

1 (1 resolved)

Medium Severity

Issues

2 (2 resolved)

Low Severity Issues 9 (7 resolved, 1 partially resolved)

Notes & Additional Information

22 (15 resolved, 2 partially resolved)

Scope

We audited the thesandboxgame/sandbox-smart-contracts repository at the 8430ea5fdb0f4905b9678689ce0cbc2f74a704b6 commit.

```
src/
 - solc 0.5
    contracts common
        BaseWithStorage

    MetaTransactionReceiverV2.sol

            └─ SuperOperatorsV2.sol
          Interfaces
            ├── ERC721Events.sol

    ERC721MandatoryTokenReceiver.sol

            ERC721TokenReceiver.sol
           - Libraries

    AddressUtils.sol

       Land
        └─ erc721
              ERC721BaseTokenV2.solLandBaseTokenV3.sol
       LandV3.sol

    OperatorFilterer

          - contracts
            └─ upgradeable
              OperatorFiltererUpgradeable.sol
          - interfaces

└── IOperatorFilterRegistry.sol

  - solc 0.8
      — common

    BaseWithStorage

             ERC2771Handler.sol
             ERC721BaseTokenV2.sol
               WithAdminV2.sol
            WithSuperOperatorsV2.sol
           - fx-portal
            FxBaseChildTunnelUpgradeable.sol
FxBaseRootTunnelUpgradeable.sol
           - interfaces
             IERC721MandatoryTokenReceiver.sol
               ILandToken.sol
              ILandTokenV2.sol
              IPolygonLand.sol
              — IPolygonLandV2.sol
              — IPolygonLandTunnel.sol
            └── IPolygonLandWithSetApproval.sol
        OperatorFilterer
            contracts
            └─ upgradeable
```

System Overview

The LAND token follows the <u>EIP-721 non-fungible token (NFT) standard</u> and has been deployed on both the Ethereum and Polygon networks. LAND represents a part of the 408x408 grid of LAND tokens available as part of The Sandbox game. The grid size is fixed and thus the total LAND tokens available is fixed at 166,464. Each LAND token is identifiable by its coordinates within the grid.

LAND tokens can be combined into quads that represent adjoined 3x3, 6x6, 12x12, or 24x24 groups of LAND tokens. The deployed contracts contain specialized functionality for efficiently transferring and minting quads. A quad can be created by becoming the owner of adjoining LAND tokens and there are no restrictions on separating a quad into smaller child quads, joining it with other quads to form a larger parent quad, or independently transferring individual LAND tokens from within the quad.

Both the Ethereum and Polygon deployments of the LAND token support meta transactions for all publicly exposed functionality including approvals and transferring LAND tokens and quads.

The Polygon implementation has been deployed with a proxy pattern and is thus upgradeable by the proxy admin. The Ethereum version is not upgradeable.

This audit contains a thorough review of both the Ethereum and Polygon LAND token contracts, as well as their dependencies. The main update besides some minor enhancements to the contracts was the integration of the OpenSea Operator Filter Registry. This registry prevents what contracts can have approvals set for them, as well as what contracts can call transferFrom on behalf of a LAND token holder. This is intended to penalize exchanges that do not pay royalties on sales of the tokens although the LAND contract does not implement EIP-2891 for the NFT royalty standard.

In addition to owning the LAND tokens on each of the Ethereum and Polygon networks, The Sandbox allows users to transfer their quads between these networks. The LAND TUNNEL suite of contracts integrates with the <u>Polygon Fx-Portal</u> bridge to allow the bilateral movement of tokens. The Sandbox's LAND Tunnel contracts on Ethereum and Polygon networks inherit the FxPortal's base contracts and are upgradeable.

On the Ethereum network, the user calls the <u>batchTransferQuadToL2</u> <u>function</u> to transfer a batch of their quad to the LAND Tunnel contract. This function in turn sends a message to the

Polygon network where equivalent quads are minted and transferred to the user's provided address.

A similar process is followed on the Polygon network where the user calls the batchTransfer0uadToL1 function to transfer a batch of quads to the Polygon-LAND Tunnel contract, which signals the Ethereum network to mint and transfer equivalent quads to the user's provided address. While the transfer of quads from Ethereum to Polygon is unbounded by the system, there exists a limit on the gas spent and on the size of quads that can be transferred in a single transaction.

The Tunnel Migration contract exists on both networks to allow an admin to transfer the LAND tokens and quads from an old Tunnel contract to a new implementation, on the respective networks. Additionally, the Tunnel Migration contract on the Polygon network allows the admin to transfer the LANDs locked in the old Tunnel to a new Tunnel contract and further transfer them to the Ethereum network in the same function call.

To ensure the security and reliability of the system, audits have been conducted on the TUNNEL-related and migration contracts.

Privileged Roles

The audited contracts contain many privileged roles that are required for properly managing the LAND token and associated tunnel contracts.

The LandV3 contract contains the following privileged roles:

- The admin role has the following capabilities:
 - Can set the _metaTransactionContracts with the setMetaTransactionProcessor function.
 - Can update the operator filterer registry using the register and setOperatorRegistry functions.
 - Can add and remove minters using the setMinter function.
 - Can add and remove _superOperators using the setSuperOperator function.
 - Can change the admin with the changeAdmin function.
- The <u>superOperators</u> role has the following capabilities:
 - Can set approval of a LAND token held by any account for any operator using the approveFor and approve functions.
 - Can set approval for all of an account's LAND tokens for any account using the setApprovalForAllFor function.

- Can transfer LAND tokens from any account to any account using the transferFrom, safeTransferFrom, batchTransferQuad, transferQuad, batchTransferFrom, and safeBatchTransferFrom functions.
- · Can burn the LAND tokens held by any account using the burnFrom function.
- The minters role has the following capabilities:
 - Can mint new LAND tokens with the mintQuad and mintAndTransferQuad functions.

The PolygonLandV2 contract contains the following privileged roles:

- The admin role has the following capabilities:
 - Can set the trustedForwarder with the setTrustedForwarder function.
 - Can update the operator filterer registry using the register and setOperatorRegistry functions.
 - Can add and remove minters using the setMinter function.
 - Can add and remove _superOperators using the setSuperOperator function.
 - Can change the admin with the changeAdmin function.
- The <u>superOperators</u> role has the following capabilities:
 - Can set approval of a LAND token held by any account for any operator using the approveFor and approve functions.
 - Can set approval for all of an account's LAND tokens for any account using the setApprovalForAllFor function.
 - Can transfer LAND tokens from any account to any account using the transferFrom, safeTransferFrom, batchTransferQuad, transferQuad, batchTransferFrom, and safeBatchTransferFrom functions.
 - Can burn the LAND tokens held by any account using the burnFrom function.
- The <u>_minters</u> role has the following capabilities:
 - Can mint new LAND tokens with the mintQuad and mintAndTransferQuad functions.

The LandTunnelV2 contract contains the following privileged roles:

- The owner role has the following capabilities:
 - Can change ownership with the transfer0wnership function.
 - Can renounce ownership with the renounce0wnership function.
 - \circ Can set the $_trustedForwarder$ with the setTrustedForwarder function.

 Can pause and unpause the contract using the pause and unpause functions which prevent new tokens from being bridged to Polygon.

The PolygonLandTunnelV2 contract contains the following privileged roles:

- The owner role has the following capabilities:
 - Can change ownership with the transferOwnership function.
 - Can renounce ownership with the renounce0wnership function.
 - Can set the gas limits for transactions with the setMaxLimitOnL1, setLimit,
 and setupLimits
 - Can set the maximum number of LAND tokens that can be bridged in a single transaction using the setMaxAllowedQuads function.
 - Can set the trustedForwarder with the setTrustedForwarder function
 - Can pause and unpause the contract using the pause and unpause functions which prevent new tokens from being bridged to Ethereum.

The LandTunnelMigration contract contains the following privileged roles:

- The admin role has the following capabilities:
 - Can change the admin of the contract with the changeAdmin function.
 - Can call the migrateLandsToTunnel, and migrateQuadsToTunnel for transferring LAND tokens and quads from the old tunnel contract to the new tunnel contract.

The PolygonLandTunnelMigration contract contains the following privileged roles:

- The admin role has the following capabilities:
 - Can change the admin of the contract with the changeAdmin function.
 - Can call the migrateLandsToTunnel, migrateToTunnelWithWithdraw,
 and migrateQuadsToTunnel for transferring LAND tokens and quads from the
 old tunnel contract to the new tunnel contract.

Trust Assumptions

The LAND contracts as well as the associated tunnel contracts depend on external contracts to properly function. These external contracts are assumed to be properly implemented and free from bugs. The contracts have the following privileges:

The LandV3 contract depends on the following external contracts:

- The operatorFilterRegistry contract controls what contracts may be approved to transfer tokens as well as which contracts can initiate transfers. This contract can be set to the deployed contract specified in the operator filterer registry. If this contract rejects transfers from contracts that should be able to transfer tokens, specifically if the __metaTransactionContracts or LAND tunnel contract are blocklisted, the functionality of the token will be affected.
- The _metaTransactionContracts contracts are able to initiate meta-transactions on behalf of accounts with the token contract. It is assumed that these contracts will act faithfully as they are able to execute many sensitive functions including changing the admin role, setting _superOperators, as well as all transfer and approval-related functions.

The PolygonLandV2 contract depends on the following external contracts:

- The operatorFilterRegistry contract controls what contracts may be approved to transfer tokens as well as which contracts can initiate transfers. This contract can be set to the deployed contract specified in the operator filterer registry. If this contract rejects transfers from contracts that should be able to transfer tokens, specifically if the __metaTransactionContracts or LAND tunnel contract are blocklisted, the functionality of the token will be affected.
- The <u>_trustedForwarder</u> contract is able to initiate meta-transactions on behalf of accounts with the token contract. It is assumed that this contract will act faithfully as it is able to execute many sensitive functions including changing the <u>admin</u> role, setting <u>superOperators</u>, as well as all transfer and approval-related functions.

The LandTunnelV2 contract depends on the following external contracts:

- The <u>trustedForwarder</u> contract is able to initiate meta-transactions on behalf of accounts. It is assumed that this contract will act faithfully as it is able to execute many sensitive functions including changing the <u>owner</u> role, as well as initiating transfers to Polygon.
- The inherited <code>FxBaseRootTunnel</code> contract for the <code>fx-portal</code> integration contains external contracts that manage the bridging of tokens between Ethereum and Polygon. It is assumed that the <code>fxRoot</code>, <code>checkpointManager</code>, and <code>fxChildTunnel</code> contracts will be set to <code>the appropriate contracts deployed by Polygon</code>. These contracts must function as intended for tokens to be successfully and properly bridged between Ethereum and Polygon.

The PolygonLandTunnelV2 contract depends on the following external contracts:

- The <u>trustedForwarder</u> contract is able to initiate meta-transactions on behalf of accounts. It is assumed that this contract will act faithfully as it is able to execute many sensitive functions including changing the <u>owner</u> role, as well as initiating transfers to Ethereum.
- The inherited <code>FxBaseChildTunnel</code> contract for the <code>fx-portal</code> integration contains external contracts that manage the bridging of tokens between Polygon and Ethereum. It is assumed that the <code>fxRoot</code>, and <code>fxChildTunnel</code> contracts will be set to <code>the</code> appropriate contracts deployed by Polygon. These contracts must function as intended for tokens to be successfully and properly bridged between Polygon and Ethereum.

The LandTunnelMigration and PolygonLandTunnelMigration contracts have no dependency on external contracts.

High Severity

H-01 Potentially unsafe usage of unchecked math

The following instances of unchecked math were identified:

- The operation on line 44 of LandBaseTokenV3.sol
- The operation on <u>line 50</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 57 of LandBaseTokenV3.sol
- The operation on <u>line 84</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 85 of LandBaseTokenV3.sol
- The operation on line 228 of LandBaseTokenV3.sol
- The operation on line 258 of LandBaseTokenV3.sol
- The operation on line 279 of LandBaseTokenV3.sol
- The operation on <u>line 293</u> of <u>LandBaseTokenV3.sol</u>
- The operation on <u>line 294</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 314 of LandBaseTokenV3.sol
- The operation on <u>line 317</u> of <u>LandBaseTokenV3.sol</u>
- The operation on <u>line 341</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 383 of <u>LandBaseTokenV3.sol</u>
- The operation on line 390 of LandBaseTokenV3.sol
- The operation on <u>line 391</u> of <u>LandBaseTokenV3.sol</u>
- The operation on <u>line 421</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 486 of LandBaseTokenV3.sol
- The operation on line 487 of LandBaseTokenV3.sol
- The operation on <u>line 541</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 543 of LandBaseTokenV3.sol
- The operation on <u>line 611</u> of <u>LandBaseTokenV3.sol</u>
- The operation on <u>line 620</u> of <u>LandBaseTokenV3.sol</u>
- The operation on line 40 of LandV3.sol

Consider using the latest Solidity version which has built-in math checks against overflows and underflows. Alternatively, consider using the OpenZeppelin <u>SafeMath</u> <u>library</u> to protect math operations against overflows and underflows for Solidity versions >=0.6.0 and <0.8.0.

Update: Resolved in <u>pull request #909</u> at commit <u>37b3dfb</u>. The <u>exists</u> (<u>_isValidQuad</u>) function in the <u>LandBaseTokenV3</u> contract has been updated to ensure the input quad size is one of the valid sizes. In addition, upon further review from the OpenZeppelin team, it was noted that unchecked math for both the <u>LandBaseTokenV3.sol</u> and <u>LandV3.sol</u> does not introduce potential for overflows or underflows. Also, the Sandbox team stated:

We checked for possible cases of unsafeMath but feel that we have good validation for the values of parameters, which will never cause a safeMath error. We have found one case regarding the possible value of size, which has been handled in the pull request for L-02.

Medium Severity

M-01 Lack of documentation for complex functionality

The codebase contains several internal functions that perform complex computations but lack sufficient documentation. Further, some state variables have complex implicit assumptions about the values they store that are not documented. This lack of documentation can hinder the maintainability of these functions and variables, making it more challenging for auditors to thoughtfully understand their implications. In particular:

- The _mintAndTransferQuad, _checkAndClearOwner, _checkAndClear, and _checkBatchReceiverAcceptQuadAndClearOwner functions in the PolygonLandBaseTokenV2 and LandBaseTokenV3 contracts.
- The _owners state variable defined in the ERC721BaseTokenV2 contract in both the Ethereum implementation and Polygon implementation, which is used throughout the LandBaseTokenV3 and PolygonLandBaseTokenV2 contracts. This variable uses a complex storage pattern to record ownership of individual LAND tokens as well as "quads". Quads are indexed using a bitmask and the code implicitly assumes that ownership of individual LAND tokens takes precedence over quads. Further, the stored addresses include indicator bits above the 160th bit to mark tokens as burned or have an operator enabled.

To ensure ease of maintainability, consider thoroughly documenting these functions and variables, including both function-level documentation as well as in-line documentation where appropriate.

M-02 Lack of input id validation in the <u>owner0f</u> function

The _owner0f function in both <u>Ethereum</u> and <u>Polygon</u> implementations does not validate that the input <u>id</u> corresponds to a quad of size 1x1. This allows token ids that correspond to quads of size greater than 1 to be passed. External functions such as <u>burn</u>, <u>approve</u> and <u>approveFor</u> do not expect IDs for quads of such size, leading to unexpected consequences. For example, if a quad with a size greater than 1 were to be burnt, it would lead to the incorrect amount being decremented from <u>numNFTPerAddress</u>.

Consider validating that the input ID corresponds to a single token. This can be done by adding additional checks to the function to ensure that only valid token IDs are processed.

Update: Resolved in pull request #921 at commit 97da7fb.

Low Severity

L-01 Missing docstrings

The following instances of missing docstrings were identified:

- Lines 11 and 32 in ERC721BaseTokenV2.sol
- Line 6 in LandBaseTokenV3.sol
- <u>Line 9</u> in LandV3.sol
- Lines 4, 5, 7, 9, 11, 13, 19, 25, 31, 37, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59, 61, 63, and 65 in IOperatorFilterRegistry.sol
- Line 6 in MetaTransactionReceiverV2.sol
- <u>Line 5</u> in <u>SuperOperatorsV2</u>.sol
- Lines 12 and 19 in ERC721MandatoryTokenReceiver.sol
- Lines 11 and 17 in ERC721TokenReceiver.sol
- Line 3 in AddressUtils.sol
- Lines 4, 5, 7, 9, 11, 13, 19, 25, 31, 37, 39, 41, 43, 45, 47, 49, 51, 53, 55, 57, 59, 61, 63, and 65 in IOperatorFilterRegistry.sol
- Lines 16 and 20 in ERC2771Handler.sol
- Line 13 in ERC721BaseTokenV2.sol

- Line 7 in WithAdminV2.sol
- <u>Line 8</u> in WithSuperOperatorsV2.sol
- <u>Line 6</u> in FxBaseChildTunnelUpgradeable.sol
- <u>Line 10</u> in FxBaseRootTunnelUpgradeable.sol
- Lines 12 and 19 in IERC721MandatoryTokenReceiver.sol
- Lines <u>4</u>, <u>5</u>, <u>14</u>, and <u>23</u> in <u>ILandToken.sol</u>
- Lines 6, 7, 13, 21, and 29 in ILandTokenV2.sol
- Lines 6, 13, and 19 in IPolygonLand.sol
- Lines 4 and 11 in IPolygonLandTunnel.sol
- Lines 6 and 7 in IPolygonLandWithSetApproval.sol
- Lines 10, and 195 in PolygonLandBaseTokenV2.sol
- <u>Line 13</u> in PolygonLandTunnelV2.sol
- Lines 14, 30, and 77 in LandTunnelV2.sol
- Lines 122 and 131 of PolygonLandTunnelMigration.sol
- Lines 6, 7, and 15 of IPolygonLandV2.sol
- <u>Line 38</u> of LandTunnelMigration.sol

Additionally, there are cases that require further completion:

- The return from the <u>supportsInterface</u> <u>function</u> in the <u>LandTunnelV2</u> contract is undocumented.
- The return from the <u>supportsInterface</u> <u>function</u> in the <u>PolygonLandTunnelV2</u> contract is undocumented.
- The _childToken argument to the <u>initialize</u> <u>function</u> in the PolygonLandTunnelV2 contract is undocumented.

Consider thoroughly documenting all functions (and their parameters) that are part of any contract's public API. Functions implementing sensitive functionality, even if not public, should be clearly documented as well. When writing docstrings, consider following the Ethereum Natural Specification Format (NatSpec).

Update: Resolved in pull request #907 at commit 9ddf8c9.

L-02 require statements with multiple conditions

The following instances of require statements with multiple conditions were identified:

- The require statement on line 43 of <u>LandBaseTokenV3.sol</u>
- The require statement on <u>line 44</u> of <u>LandBaseTokenV3.sol</u>

```
• The require statement on <u>line 140</u> of <u>LandBaseTokenV3.sol</u>
```

- The require statement on line 227 of LandBaseTokenV3.sol
- The require statement on line 228 of LandBaseTokenV3.sol
- The require statement on <u>line 420</u> of <u>LandBaseTokenV3.sol</u>
- The require statement on line 421 of LandBaseTokenV3.sol
- The require statement on line 658 of LandBaseTokenV3.sol
- The require statement on line 38 of PolygonLandBaseTokenV2.sol
- The require statement on <u>line 39</u> of <u>PolygonLandBaseTokenV2.sol</u>
- The require statement on <u>line 61</u> of <u>PolygonLandBaseTokenV2.sol</u>
- The require statement on <u>line 611</u> of <u>PolygonLandBaseTokenV2.sol</u>
- The require statement on <u>line 612</u> of <u>PolygonLandBaseTokenV2.sol</u>
- The require statement on line 731 of PolygonLandBaseTokenV2.sol
- The require statement on line 103 of PolygonLandTunnelV2.sol
- The require statement on line 79 of LandTunnelV2.sol

To simplify the codebase and raise the most helpful error messages for failing require statements, consider having a single require statement per condition.

Update: Resolved in pull request #909 at commit 37b3dfb.

L-03 Lack of event emission after sensitive actions

The following functions do not emit relevant events after executing sensitive actions.

Ethereum LAND:

- When the <u>admin</u> <u>variable is set</u> in the <u>initialize</u> function of the ERC721BaseTokenV2 contract
- When the <u>filter registry is set</u> in the <u>LandV3</u> contract
- When the <u>LAND contract is registered</u> on the Operator Filterer Registry in the <u>LandV3</u> contract

Polygon LAND:

- When the <u>admin</u> <u>variable is set</u> in the <u>initialize</u> function of the <u>PolygonLandV2</u> contract
- When the <u>trustedForwarder</u> is set in the initializer of the <u>ERC2771Handler</u> contract

- When the <u>trustedForwarder</u> is set using the setTrustedForwarder method in the PolygonLandV2 contract
- When the filter registry is set in the PolygonLandV2 contract
- When the <u>LAND contract is registered</u> on the Operator Filterer Registry in the PolygonLandV2 contract
- When the <u>trustedForwarder</u> is set using the setTrustedForwarder method in the LandTunnelV2 contract
- When the <u>trustedForwarder</u> is set using the setTrustedForwarder method in the PolygonLandTunnelV2 contract
- When the maxGasLimitOnL1 and maxAllowedQuads state variables are set in the initialize function in the PolygonLandTunnelV2 contract
- When the <u>admin</u> <u>is set</u> in the <u>constructor</u> of the <u>PolygonLandTunnelMigration</u> contract
- When the <u>admin</u> is <u>set</u> in the <u>constructor</u> of the <u>LandTunnelMigration</u> contract

Consider emitting events after sensitive changes occur to facilitate tracking and notify any offchain clients who may be following the contracts' activity.

Update: Resolved in pull request #919 at commit c5bb59b.

L-04 Lack of input validation

Throughout the codebase, there are several functions that lack input validation when changing privileged roles, allowing these roles to be set to the zero address. In particular:

- The newAdmin argument of the <u>changeAdmin function</u> in the <u>AdminV2</u> contract for both implementations
- The batchTransferQuadToL2 function in the LandTunnelV2 contract can be called with zero-length arrays for the sizes, xs, and ys arguments. Consider validating that the input arrays have a length of at least 1.
- The <u>batchTransferQuadToL1</u> <u>function</u> in the <u>PolygonLandTunnelV2</u> contract can be called with zero-length arrays for the <u>sizes</u>, <u>xs</u>, and <u>ys</u> arguments. Consider validating that the input arrays have a length of at least 1.
- The <u>setLimit</u> function in the <u>PolygonLandTunnelV2</u> contract accepts a quad <u>size</u> and the gas limit for that size. The <u>size</u> argument is never validated to ensure it corresponds to a valid quad size of 1, 3, 6, 12, or 24.
- The <u>setMaxLimitOnL1</u> <u>function</u> in the <u>PolygonLandTunnelV2</u> contract does not validate that the input gas limit is non-zero. If the <u>maxGasOnLimitOnL1</u> variable is set

to zero it would prevent tokens from being transferred to L1 as the gas check within the batchTransferQuadToL1 function will always fail.

Consider adding a check that prevents setting these roles to the zero address and including a separate function for revoking role rights.

Update: Partially resolved in <u>pull request #954</u> at commit <u>0f7f68d</u>. The Sandbox team stated:

We decided not to fix the issue on AdminV2 as we want to be able to give up on the admin role.

L-05 Operator approval can cause unexpected behavior

When an operator approval is set, the <u>owners</u> data stores a flag at the 256th bit (this is done in both implementations, <u>Ethereum</u> and <u>Polygon</u>).

The mintAndTransferQuad function is used by minters to mint new quads or to transfer existing quads to a new address. When minting and transferring, the quad may be partially owned by the minter (can own some child quads) with the remainder of the quad being unowned (owned by the zero address). If the minter sets operator approval on any of the LAND tokens within the quad to be minted and transferred, the mintAndTransferQuad function will fail. Although the minter owns the token, the check performed on line 357 in the Polygon implementation and on line 264 in the Ethereum implementation will fail since the 256th bit will never match uint256(uint160(msg.sender)). As a result, the function call will fail.

Function _checkBatchReceiverAcceptQuadAndClearOwner will fail to clear the owner of a quad with an operator approval set, as it also performs ownership checks following the pattern explained above, specifically, in lines 323 and 343 in the Ethereum implementation and in lines 463 and 483 in the Polygon implementation.

Consider disregarding the operator flag when checking ownership within the __mintAndTransferQuad and __checkBatchReceiverAcceptQuadAndClearOwner functions. Further, if an operator is set for any of the transferred tokens, the operator should be cleared from the operator mapping.

Update: Resolved in <u>pull request #917</u> at commit <u>02f7bc8</u>.

L-06 Lack of storage gap in upgradeable contracts

Throughout the codebase, there are several contracts that are inherited by upgradeable contracts that do not include a storage gap. In particular:

- The ERC2771Handler contract
- The <u>ERC721BaseTokenV2</u> contract
- The <u>WithSuperOperatorsV2</u> contract
- The <u>WithAdminV2</u> contract

If any of these contracts add new storage variables it will overwrite the storage of parent contracts and lead to an incompatible storage layout.

To allow additions of new state variables without compromising the storage compatibility with existing deployments, consider <u>leaving a storage gap</u> at the end of each contract.

Update: Acknowledged, not resolved. The Sandbox team stated:

Those contracts are already deployed on mainnet, therefore we cannot add gaps without breaking the storage.

L-07 Setting the root and child tunnel addresses can be front-run

The external setFxRootTunnel and setFxChildTunnel functions defined in the FxBaseChildTunnel and FxBaseRootTunnel contracts set the fxRootTunnel and fxChildTunnel state variables. These contracts are inherited by the FxBaseChildTunnelUpgradeable and FxBaseRootTunnelUpgradeable contracts and the functions are never overridden. Since these functions do not contain any access control, anyone can call them and set the aforementioned addresses to any address except the zero address. If these functions were front-run, the implementation contracts would need to be redeployed as it will not be possible to change these addresses after they have been set.

Consider either including access control on these functions, calling them within the initialize functions, or ensuring that they are called within the same transaction as when the implementation contracts are initialized.

Update: Resolved in pull request #945 at commit b74749c.

L-08 Unused variable

The <u>PolygonLandTunnelMigration</u> and <u>LandTunnelMigration</u> contracts both define a constant GRID SIZE that is not used within these contracts.

Consider removing this variable.

Update: Resolved in pull request #942 at commit 8a16ac2.

L-09 Missing access control

The <u>approveNewLandTunnel</u> <u>function</u> in the <u>PolygonLandTunnelMigration</u> contract sets approval for the new land tunnel contract to transfer LAND tokens on behalf of the contract. This function lacks any access control and can be called by anyone.

While this is not directly a security risk as only super-operators are approved to transfer LAND tokens to the contract within the migrateToTunnelWithWithdraw function, consider restricting this function such that only the admin can call it to further secure the contract.

Update: Resolved in <u>pull request #946</u> at commit <u>90a111e</u>.

Notes & Additional Information

N-01 Files specifying outdated Solidity versions

The following instances of files specifying outdated Solidity versions were identified:

- The pragma statement on line 2 of ERC721BaseTokenV2.sol
- The pragma statement on line 2 of LandBaseTokenV3.sol
- The pragma statement on line 3 of LandV3.sol
- The pragma statement on line 2 of OperatorFiltererUpgradeable.sol
- The pragma statement on line 2 of IOperatorFilterRegistry.sol
- The pragma statement on line 1 of MetaTransactionReceiverV2.sol
- The pragma statement on <u>line 1</u> of <u>SuperOperatorsV2.sol</u>
- The pragma statement on <u>line 1</u> of <u>ERC721Events.sol</u>

- The pragma statement on line 1 of ERC721MandatoryTokenReceiver.sol
- The pragma statement on line 9 of <u>ERC721TokenReceiver.sol</u>
- The pragma statement on line 1 of AddressUtils.sol

Consider taking advantage of the <u>latest Solidity version</u> to improve the overall readability and security of the codebase. Regardless of which version of Solidity is used, consider pinning the version consistently throughout the codebase to prevent bugs due to incompatible future releases.

Update: Acknowledged, not resolved. The Sandbox team stated:

We decided not to change the solidity version as it causes too many changes.

N-02 Fuzzing testing opportunities

The following functions could benefit from fuzzing:

- idlnPath of LandBaseTokenV3.sol
- isQuadMinted of LandBaseTokenV3.sol
- _getQuadLayer of LandBaseTokenV3.sol
- _getQuadById of LandBaseTokenV3.sol
- <u>uint2str</u> of <u>LandV3.sol</u>
- _isQuadMinted of PolygonLandBaseTokenV2.sol
- _getQuadLayer of PolygonLandBaseTokenV2.sol
- _idInPath of PolygonLandBaseTokenV2.sol
- _getQuadById of PolygonLandBaseTokenV2.sol

Consider performing additional testing for the functions above.

Update: Acknowledged, not resolved. The Sandbox team stated:

Fuzzing testing is not easily possible on the current repository but we're planning to migrate the repository and enable fuzz testing later this year.

N-03 Lack of indexed event parameters

The following instances could benefit from indexing event parameters:

- line 18 of LandBaseTokenV3.sol
- line 10 of MetaTransactionReceiverV2.sol

- <u>line 9</u> of <u>SuperOperatorsV2.sol</u>
- line 24 of PolygonLandBaseTokenV2.sol
- <u>line 25</u> of <u>PolygonLandTunnelMigration.sol</u>
- <u>line 33</u> of <u>PolygonLandTunnelMigration.sol</u>
- line 27 of PolygonLandTunnelV2.sol
- line 23 of <u>LandTunnelMigration.sol</u>

Consider <u>indexing event parameters</u> to improve the ability of off-chain services to search and filter for specific events.

Update: Resolved in pull request #902 at commit 83835cd.

N-04 Lack of SPDX license identifiers

The following Solidity files lack the appropriate SPDX license identifiers:

- ERC721BaseTokenV2.sol
- LandBaseTokenV3.sol
- LandV3.sol
- <u>MetaTransactionReceiverV2.sol</u>
- SuperOperatorsV2.sol
- ERC721Events.sol
- ERC721MandatoryTokenReceiver.sol
- AddressUtils.sol
- ERC721TokenReceiver.sol

To avoid legal issues regarding copyright and follow best practices, consider adding SPDX license identifiers to files as suggested by the Solidity documentation.

Update: Resolved in pull request #903 at commit dc4bade.

N-05 Non-explicit imports are used

Non-explicit imports are used throughout the <u>codebase</u>, which reduces code readability and could lead to conflicts between the names defined locally and the ones imported. This is especially important if many contracts are defined within the same Solidity files or if inheritance chains are long.

For instance:

LAND

- lines 4-9 of <u>ERC721BaseTokenV2.sol</u>
- line 4 of LandBaseTokenV3.sol
- lines 5-7 of LandV3.sol
- <u>lines 3</u> and <u>4</u> of <u>MetaTransactionReceiverV2.sol</u>
- <u>line 3</u> of <u>SuperOperatorsV2.sol</u>
- lines 6-11 of ERC721BaseTokenV2.sol
- line 5 of WithAdminV2.sol
- <u>lines 5</u> and <u>6</u> of <u>WithSuperOperatorsV2.sol</u>
- line 4 of IPolygonLand.sol
- <u>lines 5-8</u> of <u>PolygonLandBaseTokenV2.sol</u>
- <u>lines 5-8</u> of <u>PolygonLandV2.sol</u>
- <u>line 4</u> of <u>IPolygonLandV2.sol</u>

TUNNEL

- line 4 of ILandTokenV2.sol
- <u>line 4</u> of <u>IPolygonLandWithSetApproval.sol</u>
- <u>lines 4-6</u> of <u>PolygonLandTunnelMigration.sol</u>
- lines 4-11 of PolygonLandTunnelV2.sol
- <u>line 4</u> of <u>LandTunnelMigration.sol</u>
- lines 4-9 of LandTunnelV2.sol

Following the principle that clearer code is better code, consider using named import syntax (import {A, B, C} from "X") to explicitly declare which contracts are being imported.

Update: Resolved in pull request #904 at commit 94697a5.

N-06 Unused imports

The following instances of unused imports were identified:

- Import ERC721BaseTokenV2 of LandV3.sol
- Import PolygonLandBaseToken of PolygonLandTunnelV2.sol

Consider removing unused imports to improve the overall clarity and readability of the codebase.

Update: Resolved in pull request #905 at commit 4736d01.

N-07 Unused named return variables

Throughout the codebase there are multiple instances of unused named return variables:

- The <u>isOperator</u> return variable in the <u>isApprovedForAll</u> function in ERC721BaseTokenV2.sol.
- The <u>trustedForwarder</u> return variable in the getTrustedForwarder function in ERC2771Handler.sol.
- The <u>isOperator</u> return variable in the <u>isApprovedForAll</u> function in ERC721BaseTokenV2.sol.
- The <u>isMetaTx</u> return variable in the _checkTransfer function in ERC721BaseTokenV2.sol.
- The <u>sender</u> return variable in the <u>msgSender</u> function in PolygonLandTunnelV2.sol.
- The <u>sender</u> return variable in the <u>msgSender</u> function in PolygonLandV2.sol.
- The <u>sender</u> return variable in the <u>msgSender</u> function in <u>LandTunnelV2.sol</u>.

Consider either using or removing any unused named return variables.

Update: Resolved in pull request #906 at commit 697bd41.

N-08 Lack of EIP-173 support for operator filter registry

The <u>OpenSea operator filter registry</u> lets a smart contract manage the operators allowed to transfer tokens on behalf of users. If the contract implementing the registry follows <u>EIP-173</u>, the <u>owner</u> is able to manage the registry on behalf of the contract. The <u>PolygonLandV2</u> contract does not follow EIP-173 but instead has an equivalent <u>admin</u> role.

To enable easier control over the registry and provide access to more functionality without requiring an upgrade to the token contract, consider implementing EIP-173.

Update: Acknowledged, not resolved. The Sandbox team stated:

We decided not to implement the EIP-173 as the OperatorFilterSubscription contract will handle the administration.

N-09 Redundant code

Consider making the following changes to eliminate redundant code:

Ethereum LAND:

- The _register function of OperatorFiltererUpgradeable contract in <u>line 24</u> handles the case where <u>subscriptionOrRegistrantToCopy</u> is the zero address, but this path will never be executed as there is a <u>require</u> statement validating that <u>subscriptionOrRegistrantToCopy</u> != address(0) in the caller function. Consider removing this code path.
- Checking if the <u>output of the exists function is true</u> in the <u>mintAndTransferQuad</u> function in the <u>LandBaseTokenV3</u> contract is unnecessary.
- The <u>checkTransfer function</u> in the <u>ERC721BaseTokenV2</u> contract will either revert or return true. Returning true from this function is unnecessary.

Polygon LAND:

- The _register function of the OperatorFiltererUpgradeable contract in <u>line 27</u> handles the case where <u>subscriptionOrRegistrantToCopy</u> is the zero address, but this path will never be executed as there is a <u>require</u> statement validating that <u>subscriptionOrRegistrantToCopy</u> != address(0) in the caller function. Consider removing this code path.
- Checking if the <u>output of the exists function is true</u> in the <u>mintAndTransferQuad</u> function in the <u>PolygonLandBaseTokenV2</u> contract is unnecessary.
- The <u>checkTransfer</u> <u>function</u> in the <u>ERC721BaseTokenV2</u> contract will either revert or return <u>true</u>. Returning <u>true</u> from this function is unnecessary.
- When calling the <u>safeTransferFrom function</u> in the <u>PolygonLandV2</u> contract without the <u>data</u> argument, the <u>onlyAllowedOperator</u> modifier is called twice: once by the <u>safeTransferFrom</u> function without the <u>data</u> argument, and again by the <u>safeTransferFrom</u> function with the <u>data</u> argument.

Update: Partially resolved in <u>pull request #910</u> at commit <u>28607d2</u>. The following instances remain unresolved:

• Ethereum LAND: The _register function of OperatorFiltererUpgradeable contract in <u>line 24</u> handles the case where subscriptionOrRegistrantToCopy is the zero address, but this path will never be executed as there is a require statement validating that subscriptionOrRegistrantToCopy != address(0) in the caller function. Consider removing this code path.

• Polygon LAND: The <u>_register</u> function of the <u>OperatorFiltererUpgradeable</u> contract in <u>line 27</u> handles the case where <u>subscriptionOrRegistrantToCopy</u> is the zero address, but this path will never be executed as there is a <u>require</u> statement validating that <u>subscriptionOrRegistrantToCopy</u>!= address(0) in the caller function. Consider removing this code path.

In addition, The Sandbox team stated:

We decided not to resolve this issue to keep the code as close as the original one from OpenSea.

N-10 Reuse onlyAdmin modifier

The <u>onlyAdmin</u> <u>modifier</u> can be used instead of the <u>require</u> checks:

- In the <u>setMinter</u> function in the PolygonLandBaseTokenV2 contract
- In the setSuperOperators vontract

To improve the readability of the codebase, consider using the onlyAdmin modifier instead of
the require checks.

Update: Resolved in <u>pull request #911</u> at commit <u>6fe419b</u>.

N-11 Trusted forwarder validated against operator filter registry

The trusted forwarder is used throughout the contract to enable meta-transactions. With the addition of the operator filter registry, any transaction initiated by the trusted forwarder will validate the trusted forwarder against the registry as the onlyAllowedOperator modifier checks msg.sender rather than msgSender.

Consider using _msgSender within the onlyAllowedOperator modifier to reduce gas consumption when performing meta-transactions.

Update: Resolved in <u>pull request #924</u> at commit <u>967f133</u>.

N-12 Typographical errors

Consider addressing the following typographical errors.

Ethereum LAND:

- On <u>line 8</u> of <u>OperatorFiltererUpgradeable.sol</u>, "*subscibe*" should be "*subscribe*", and "or copy *or just to* the subscription provided" should be "or copy the subscription provided".
- On <u>line 388</u> of <u>LandBaseTokenV3.sol</u>, "when the size is *smaller* than.." should be bigger.
- On line 470 of LandBaseTokenV3.sol, "transfered" should be "transferred".
- On line 485 of LandBaseTokenV3.sol, "itereates" should be "iterates".
- On line 513 of LandBaseTokenV3.sol, "ittereated" should be iterated.
- On <u>line 81</u> of <u>ERC721BaseTokenV2.sol</u>, "resset" should be "reset".
- On line 81 of ERC721BaseTokenV2.sol, "overriden" should be "overridden".

Polygon LAND:

- On <u>line 8</u> of <u>OperatorFiltererUpgradeable.sol</u>, "subscibe" should be "subscribe".
- On <u>line 8</u> of <u>OperatorFiltererUpgradeable.sol</u>, "or copy *or just to* the subscription provided" should be "or copy the subscription provided".
- On line 38 of LandTunnelV2 contract, "trasnfer" should be "transfer".
- On line 51 of LandTunnelV2 contract, "trasnfer" should be "transfer".
- On <u>lines 54-57</u> of the <u>PolygonLandTunnelMigration</u> contract, "cant" should be "can't".
- On line 142 of PolygonLandTunnelV2 contract, "trasnfer" should be "transfer".
- On line 155 of PolygonLandTunnelV2 contract, "trasnfer" should be "transfer".
- On line 86 of ERC721BaseTokenV2.sol, "send" should be "sender".
- On line 155 of ERC721BaseTokenV2.sol, there should be a space after "token".
- On line 355 of ERC721BaseTokenV2.sol, "adddress" should be "address".
- On line 373 of ERC721BaseTokenV2.sol, "adddress" should be "address".
- On line 418 of ERC721BaseTokenV2.sol, "recieving" should be "receiving".
- On line 625 of PolygonLandBaseTokenV2.sol, "transfered" should be "transferred".
- On line 640 of PolygonLandBaseTokenV2.sol, "itereates" should be "iterates".
- On line 664 of PolygonLandBaseTokenV2.sol, "qua" should be "quad".
- On line 668 of PolygonLandBaseTokenV2.sol, "ittereated" should be "iterated".
- On <u>line 163</u> of PolygonLandV2.sol, the double quote "" after "true" should be a single quote ".

Update: Resolved in pull request #912 at commit e11a210.

N-13 Unclear event names

Clear and concise event names are essential for off-chain applications to grasp the intended purpose of the event. However, there are several events in the codebase that lack precisely defined names. In particular:

Ethereum LAND:

- The <u>MetaTransactionProcessor</u> <u>event</u> defined in the MetaTransactionReceiverV2 contract
- The Minter event defined in the LandBaseTokenV3 contract
- The <u>SuperOperator</u> <u>event</u> defined in the <u>SuperOperatorsV2</u> contract

Polygon LAND:

- The Minter event defined in the PolygonLandBaseTokenV2 contract
- The <u>SuperOperator</u> event defined in the <u>WithSuperOperatorsV2</u> contract

Consider renaming these events using descriptive names that provide a clear context of their intended purpose.

Update: Acknowledged, not resolved. The Sandbox team stated:

We decided not to change the event names because those events are already consumed.

N-14 Lack of attribution

Throughout the codebase, there are files that have been copied and modified from the OpenSea operator filter registry codebase. The original contracts use the MIT license which requires attribution. In particular:

Ethereum LAND:

- OperatorFiltererUpgradeable.sol
- IOperatorFilterRegistry.sol

Polygon LAND:

- OperatorFiltererUpgradeable.sol
- IOperatorFilterRegistry.sol

Consider including a comment in these files attributing the original authors and source.

Update: Resolved in <u>pull request #914</u> at commit <u>e46d379</u>.

N-15 Gas optimizations

The following opportunities for gas optimization were identified:

Ethereum LAND:

- In the _checkTransfer function of the ERC721BaseTokenV2 contract, lines <u>150 and</u> <u>151</u> perform the same check. Consider refactoring the function to avoid duplicated checks.
- Using a bitmask to clear the highest 8 bits in the <u>getX</u> and <u>getY</u> functions in the <u>LandBaseTokenV3</u> contract would be more gas efficient.

Polygon LAND:

• Using a bitmask to clear the highest 8 bits in the <u>getX</u> and <u>getY</u> functions in the PolygonLandBaseTokenV2 contract would be more gas efficient.

Consider optimizing gas consumption by adjusting the aforementioned issues.

Update: Resolved in <u>pull request #915</u> at commit <u>2c0b610</u>.

N-16 Inconsistent use of named return values

The following contracts contain some functions with named return values, and some without.

In Ethereum LAND:

- The LandBaseTokenV3 contract
- The AddressUtils library
- The ERC721BaseTokenV2 contract

In Polygon LAND:

- The <u>PolygonLandV2</u> contract
- The PolygonLandBaseTokenV2 contract
- The <u>ERC721BaseTokenV2</u> contract
- The ERC2771Handler contract
- The <u>LandTunnelV2</u> contract
- The PolygonLandTunnelV2 contract

Consider using named return values consistently throughout every contract and library to provide a clear understanding of the code's behavior.

Update: Resolved in <u>pull request #918</u> at commit <u>ef05b41</u>.

N-17 Naming issues hinder code understanding and readability

Throughout the codebase, there are several functions and variables that could be renamed to better reflect their purpose, in particular:

Ethereum LAND:

- <u>checkAndClear</u> <u>function</u> of LandBaseTokenV3 contract.
- The <u>landMinted_variable</u> in the <u>_mintAndTransferQuad</u> function in the <u>LandBaseTokenV3</u> contract corresponds to the number of LAND tokens transferred, not minted.

Polygon LAND:

- The <u>checkAndClear</u> <u>function</u> in the PolygonLandBaseTokenV2 contract.
- The <u>landMinted variable</u> in the <u>_mintAndTransferQuad</u> function in the <u>PolygonLandBaseTokenV2</u> contract corresponds to the number of LAND tokens transferred, not minted.
- The <u>maxAllowedQuads</u> <u>state variable</u> in the <u>PolygonLandTunnelV2</u> contract corresponds to the maximum amount of LAND tokens, not quads.
- The user address parameter in the <u>mintQuad function</u> of the <u>IPolygonLand</u> interface should be to address
- In PolygonLandTunnelV2 contract, gasLimit should be totalGasLimit
- The naming of <u>setLimit</u> and <u>setupLimits</u> functions in the PolygonLandTunnelV2 contract is unclear and confusing.

Consider renaming these functions and variables to improve the codebase's readability.

Update: Partially resolved in <u>pull request #922</u> at commit <u>0de8738</u>. The Sandbox team stated:

__checkAndClear called in in regroupquad to check it the owner of 1x1 land in a 3x3 quad are owned by the from or not and clears the owner data of any land that is owned by the from address

__checkAndClearOwner called during the mintandtransfer to check if the sub quads are owned by the msg.sender and clears it_

__checkBatchReceiverAcceptQuadAndClearOwner checks if to in the mintandtransfer if is a contract and can handle ERC721(onERC721 receive functions) and clears the owner of 1x1 land for every 1x1 land in the Quad to be mint and transfer___numLandMinted is the cumulative value of number of land tokens that are found to be already minted. numLandMinted variable correspond to number of Land already minted

N-18 public function that should have external visibility

The following public function should be external:

• The batchTransferQuadToL2 function in the LandTunnelV2 contract.

Consider changing the visibility of this function to external in order to clarify that this function will only be called by external contracts.

Update: Resolved in <u>pull request #947</u> at commit <u>0d38cb3</u>.

N-19 Inconsistent ordering of functions

The codebase generally follows the <u>recommended order in the Solidity Style Guide</u>, however there are some instances where contracts deviate from the style guide. In particular:

- In the <u>LandTunnelMigration</u> <u>contract</u> there are functions defined before the <u>constructor</u>.
- In the <u>PolygonLandTunnelMigration</u> <u>contract</u> there are functions defined before the <u>constructor</u>.
- In the PolygonLandTunnelV2 contract there are functions defined before the initialize function. While not directly part of the Solidity style guide, the initialize function should be considered comparable to a constructor.

To improve the project's overall legibility, consider standardizing ordering throughout the codebase, as recommended by the Solidity Style Guide.

Update: Resolved in <u>pull request #949</u> at commit <u>a706fe6</u>.

N-20 Variables could be immutable

Throughout the codebase, there are several variables that could be immutable. For instance:

- The <u>polygonLand</u> variable in the <u>PolygonLandTunnelMigration</u> contract.
- The newLandTunnel variable in the PolygonLandTunnelMigration contract.
- The <u>oldLandTunnel</u> variable in the <u>PolygonLandTunnelMigration</u> contract.
- The landToken variable in the LandTunnelMigration contract.
- The <u>newLandTunnel</u> variable in the <u>LandTunnelMigration</u> contract.
- The <u>oldLandTunnel</u> variable in the <u>LandTunnelMigration</u> contract.

To better convey the intended use of variables and to potentially save gas, consider adding the immutable keyword to variables that are only set in the constructor.

Update: Resolved in pull request #953 at commit 6b5b33f.

N-21 Unused bytes data value

Throughout the codebase, there are calls for transferring LAND tokens that include the data argument. These calls pass a value of "0x" for the data argument which is never used within the calls. In particular:

- Within the <u>migrateLandsToTunnel function</u> in the <u>LandTunnelMigration</u> contract
- Within the <u>migrateQuadsToTunnel</u> <u>function</u> in the <u>LandTunnelMigration</u> contract.
- Within the <u>migrateLandsToTunnel</u> <u>function</u> in the PolygonLandTunnelMigration contract.
- Within the <u>migrateToTunnelWithWithdraw</u> <u>function</u> in the PolygonLandTunnelMigration contract.
- Within the <u>migrateQuadsToTunnel</u> <u>function</u> in the PolygonLandTunnelMigration contract.

Consider passing empty bytes data ("") to these functions as the input value is never used and consumes unnecessary gas.

Update: Resolved in <u>pull request #952</u> at commit <u>b949862</u>.

N-22 Anyone can initialize the implementation contracts

The codebase contains several contracts that are intended to be deployed as the implementations for a proxy pattern. These implementation contracts contain <code>initialize</code> functions that replace a <code>constructor</code> for initializing the proxy contract state. To ensure the <code>initialize</code> function is only executed once, the <code>initializer</code> modifier from the inherited OpenZeppelin <code>Initializable contract</code> is added. Since there is no access control on the <code>initialize</code> function, anyone is able to call this function on the implementation contract with arbitrary input arguments. Consider calling the <code>_disableInitializers function</code>, introduced in version <code>4.6.0</code> of the OpenZeppelin contracts library, from the constructors of the implementation contracts to prevent them from being initialized. In particular, the following implementation contracts should be updated:

- PolygonLandV2
- LandTunnelV2
- PolygonLandTunnelV2

While not a direct security concern, it is a good practice to prevent the implementation contract from being initialized as this could allow an attacker to take over the contract. This would not affect the functionality of the proxy contract as only the storage of the implementation contract would be affected.

Update: Acknowledged, not resolved. The Sandbox team stated:

We decided not to fix this issue as it would require upgrading the OpenZeppelin contracts to 4.6.0, which is not an option for us with the current implementation.

Conclusions

No critical severity issues were found. One (1) high, two (2) medium and nine (9) low severity issues and 22 notes were reported mainly addressing improvement opportunities to the overall quality of the codebase.

Appendix

Monitoring Recommendations

While audits help in identifying code-level issues in the current implementation and potentially the code deployed in production, The Sandbox team is encouraged to consider incorporating monitoring activities in the production environment. Ongoing monitoring of deployed contracts helps identify potential threats and issues affecting production environments. With the goal of providing a complete security assessment, the monitoring recommendations section raises several actions addressing trust assumptions and out-of-scope components that can benefit from on-chain monitoring.

Some of the provided recommendations are affected by how the Polygon Fx-Tunnel bridge is implemented. Specifically, when the Polygon Bor block producer calls the processMessageFromRoot function in the FxBaseChildTunnel contract, it is executed as a system call and does not produce a transaction receipt or emit events. This affects the PolygonLandTunnelV2 contract specifically as the Deposit event in the _syncDeposit function will not be emitted nor will any Transfer events emitted by the mintAndTransferQuad call to the childToken.

These events are however emitted within special state-sync "blocks" that are not a part of the blockchain and can be retrieved using the eth_getLogs endpoint by filtering for a blockhash of the format keccak256 ("matic-bor-receipt-" + block number + block hash).

Ensure that all monitoring activities that rely on these events monitor the correct blockhashes that include them.

Token

Critical: When LAND tokens or quads of LAND tokens are transferred between accounts, the balanceOf for those accounts should be appropriately incremented/decremented. When transferring quads, the amount the balance changes by should be the total number of LAND tokens within the quad. Consider monitoring accounts balances before and after transfers with the LandV3 and PolygonLandV2 contracts by watching for the Transfer(address, address, uint256) events.

Critical: When a quad of LAND tokens is transferred, the ownership information for all subquads, and all LAND tokens within the parent quad should be transferred to the new owner. Further, all parent quads of the transferred quad should either have no owner or be owned by the new owner of the transferred quad. Consider monitoring for transfers of quads by the transferQuad, batchTransferQuad, and mintAndTransferQuad functions within the LandV3 and PolygonLandV2 contract to ensure the correct ownership after a transfer.

Critical: There are multiple privileged actions with serious security implications:

- The admin of the LandV3 and PolygonLandV2 contracts controls access to actions such as updating the operator filterer registry, adding and removing minters, and setting the meta transaction processor. Changes to the admin roles can be monitored by watching for the AdminChanged (address, address) event.
- The super operators in the LandV3 and PolygonLandV2 contracts can set arbitrary approvals and make arbitrary transfers. Changes to the super operators can be monitored by watching for the SuperOperators (address, bool) event.
- The owner of the LandTunnelV2 and PolygonLandTunnelV2 contracts controls setting gas limits, the maximum amount of quads that can be transferred in a single transaction, the address of the trusted forwarder, and can pause and unpause the contract. Changes to the owner roles can be monitored by watching for the OwnershipTransferred(address, address) event.
- The admin of the LandTunnelMigration and PolygonLandTunnelMigration contracts controls transferring LAND tokens between the old tunnel contract and the new tunnel contract. Changes to this role can be monitored by watching for the AdminChanged(address, address) event.
- Minters in LandV2 and PolygonLandV2 contracts can mint new LAND tokens and quads. Changes to this role can be monitored by watching for the Minter(address, bool) events.

High: When LAND tokens are burned using the burn function or burnFrom function in the LandV3 and PolygonLandV2 contracts, they should never be recoverable. Consider monitoring for transfers of burned tokens as this could indicate the contracts are not functioning as expected.

Low: When quads are transferred in the LandV3 and PolygonLandV2 contracts using the mintQuad, mintAndTransferQuad, transferQuad, or batchTransferQuad functions, there should be Transfer(address, address, uint256) emitted for all LAND tokens within the quad. Consider monitoring to ensure all events have been emitted as a missing event emission may indicate that a token has not been transferred properly.

Consider monitoring triggers of these administrator functions to ensure all changes are expected. Further, consider monitoring the accounts with these roles to ensure there is no suspicious activity within the accounts that could suggest the accounts/contracts have been compromised.

Technical

Critical: When the LAND tunnel is used to bridge tokens from Ethereum to Polygon, the tunnel contract on Ethereum will hold the bridged LAND tokens while the user who bridged the tokens will have control over the corresponding LAND tokens on Polygon. Similarly, when bridging from Polygon to Ethereum, either the tokens are locked in the Polygon tunnel contract while the owner has full control over them on Ethereum, or they are yet to be minted on Polygon if they have never been bridged to Polygon. Consider monitoring the tunnel contracts to ensure that all tokens not held by the tunnel contracts on Ethereum/Polygon are either held by the tunnel contracts on Polygon/Ethereum, or have not yet been minted. If there token <code>id</code> that is not held by the either bridge contract on Ethereum or on Polygon, then the owner(s) of that token on Ethereum and Polygon would be able to freely transfer the same token. This would introduce an issue where the same token is being used on different chains and would prevent the token from being bridged in the future.

Critical: When a Withdraw(address, uint256, uint256, uint256, bytes) event is emitted by the PolygonLandTunnelV2 contract on Polygon, there must have been a corresponding Deposit(address, uint256, uint256, uint256, bytes) event into the LandTunnelV2 contract on Ethereum and the token that was withdrawn on Polygon must be held by the tunnel contract on Ethereum. Similarly, when a Withdraw(address, uint256, uint256, uint256, bytes) event is emitted by the LandTunnelV2 contract on Ethereum, there must have been a corresponding Deposit(address, uint256, uint256, uint256, bytes) event into the PolygonLandTunnelV2 contract on Polygon and the token that was withdrawn on Ethereum must be held by the tunnel contract on Polygon. Consider monitoring to ensure these properties hold. When monitoring for the Withdraw(address, uint256, uint256, uint256, bytes) event on Polygon, the event will not be emitted as the transaction is run as a system call. Refer to the Polygon documentation for how these events can be retrieved.

Critical: Quads of LAND tokens can be transferred by the LandV3 and PolygonLandV2 contracts using the transferQuad, batchTransferQuad, and mintAndTransferQuad

functions. Ensure that when these functions are executed, the quads are valid. That is, given a quad at coordinates (x,y) with size size, the following properties must hold:

```
x mod size == 0 and y mod size == 0
size in {1, 3, 6, 12, 24}
0 <= x <= 408 - size and 0 <= y <= 408 - size</li>
```

High: The meta transaction processor role in the LandV3 contract and the trusted forwarder role in the PolygonLandV2 contract allow meta-transactions to be performed with these contracts. As contracts with this privilege can perform critical actions on behalf of users, any unexpected changes to these roles could signal an attack attempt. Consider monitoring for the MetaTransactionProcessor(address, bool) event in the LandV3 contract, and for calls to the setTrustedForwarder function in the PolygonLandV2 contract.

High: Many functions on the LAND token contracts should only be callable for 1x1 quads. In particular:

- approveFor
- approve
- transferFrom
- safeTransferFrom
- batchTransferFrom
- safeBatchTransferFrom
- setApprovalForAll
- setApprovalForAllFor
- burn
- burnFrom

If any of these functions for the LandV3 and PolygonLandV2 contracts are successfully executed with token id values that represent quads larger than 1x1, this could signal improper operator of the contracts.

Medium: When the LAND tunnel is used to bridge tokens from Ethereum to Polygon, the withdrawal is run as a <u>system call</u> on Polygon. As a result, failed execution of the processMessageFromRoot function from the FxBaseChildTunnel contract cannot be re-executed. Consider monitoring pending withdrawals on Polygon to ensure that their execution is successful.

Medium: Any changes to the operator filterer configuration for the LandV3 and PolygonLandV2 contracts could impact token transfers. Specifically, if the trusted forwarder is blacklisted by the operator filterer, meta transactions with the contract will fail. Additionally, if

any exchange that holds a large quantity of LAND tokens is blocklisted, this could impact users expecting to list their LAND tokens on the exchange. Changes to the configuration can be monitored by watching for calls to the register and set0peratorRegistry functions. Further, changes to the configured operatorFilterRegistry can be monitored by watching for the appropriate events on the configured contract.

Suspicious activity

Critical: The LandTunnelV2 and PolygonLandTunnelV2 contracts contain functionality to pause the contracts which prevents tokens from being bridged from Ethereum to Polygon or back. Only the owner of these contracts should be able to call the associated functions to pause/unpause. Consider monitoring for unexpected Paused(address) and Unpaused(address) events to ensure the system is functioning as expected.

Medium: Consider monitoring for unexpectedly large LAND transfers via the Transfer(address, address, uint256) event in the LandV3 and PolygonLandV2 contracts as this could signal a potential attack attempt.