

# TERRNADO (ANONYMIZER)

audit / code review report

February 10, 2022

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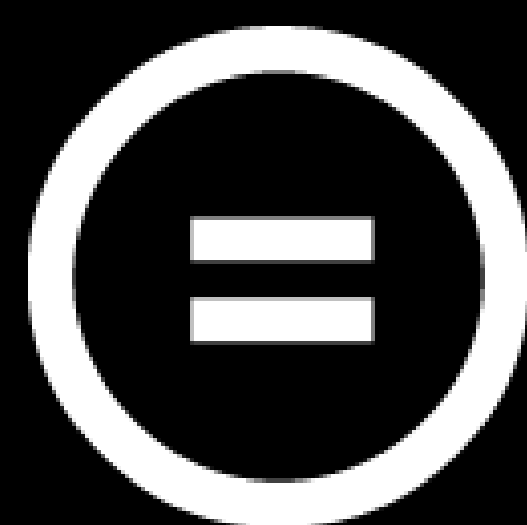
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## LICENSE

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## DISCLAIMER

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## APPROACH AND METHODOLOGY

### PURPOSE

1. Determine the correct operation of the protocol, according to the design specification.
2. Identify possible vulnerabilities that could be exploited by an attacker.
3. Detect errors in the smart contract that could lead to unexpected behavior.
4. Analyze whether best practices were followed during development.
5. Make recommendations to improve security and code readability.

### CODEBASE

Repository	<a href="https://github.com/TerrnadoCash/terrado-contracts/">https://github.com/TerrnadoCash/terrado-contracts/</a>
Branch	main
Commit hash	7a5dd1398deb5adb4e1a4e86914d1f5e8ad6c8d7

### METHODOLOGY

1. Reading the available documentation and understanding the code.
2. Doing automated code analysis and reviewing dependencies.
3. Checking manually source code line by line for security vulnerabilities.
4. Following guidelines and recommendations.
5. Preparing this report.



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## DESCRIPTION

Issues Categories:

<u>Severity</u>	<u>Description</u>
CRITICAL	vulnerability that can lead to loss of funds, failure to recover blocked funds, or catastrophic denial of service.
HIGH	vulnerability that can lead to incorrect contract state or unpredictable operation of the contract.
MEDIUM	failure to adhere to best practices, incorrect usage of primitives, without major impact on security.
LOW	recommendations or potential optimizations which can lead to better user experience or readability.

Each issue can be in the following state:

<u>State</u>	<u>Description</u>
PENDING	still waiting for resolving
ACKNOWLEDGED	know but not planned to resolve for some reasons
RESOLVED	fixed and deployed

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## AUDIT SCOPE

- |                                        |   |
|----------------------------------------|---|
| 1.getting to know the project          | ✓ |
| 2.research into architecture           | ✓ |
| 3.manual code read                     | ✓ |
| 4.check of permissions                 | ✓ |
| 5.identify common Rust vulnerabilities | ✓ |
| 6.test coverage                        | ✓ |
| 7.static analysis                      | ✓ |

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## FINDINGS

<u>Finding</u>	<u>Severity</u>	<u>Status</u>
#1 - improve tests code coverage	LOW	RESOLVED
#2 - catch common mistakes and improve your Rust code	LOW	RESOLVED
#3 - bigint is unmaintained, use uint instead	LOW	RESOLVED
#4 - satisfy license requirements	LOW	ACKNOWLEDGED

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### #1 - IMPROVE TESTS CODE COVERAGE

Test Coverage is an important indicator of software quality and an essential part of software maintenance. It helps in evaluating the effectiveness of testing by providing data on different coverage items. It is a useful tool for finding untested parts of a code base. Test coverage is also called code coverage in certain cases.

Test coverage can help in monitoring the quality of testing and assist in directing the test generators to create test cases that cover areas that have not been tested. It helps in determining a quantitative measure of Test coverage, which is an indirect measure of quality and identifies redundant test cases that do not increase coverage.

### RECOMMENDATION

It is highly recommended to test all of the functions and have high ratio of test coverage. It is recommended to use code coverage reporting tool for the Cargo build system for example [cargo-tarpaulin](#).

```
|| Uncovered Lines:
|| contracts/terrando-anonymizer/src/contract.rs: 53, 69-70
|| contracts/terrando-anonymizer/src/querier.rs: 3, 7-9
|| contracts/terrando-anonymizer/src/tools.rs: 15, 19, 21-24, 26, 34
|| Tested/Total Lines:
|| contracts/terrando-anonymizer/src/contract.rs: 22/25
|| contracts/terrando-anonymizer/src/execute.rs: 64/64
|| contracts/terrando-anonymizer/src/querier.rs: 0/4
|| contracts/terrando-anonymizer/src/queries.rs: 14/14
|| contracts/terrando-anonymizer/src/tools.rs: 9/17
||
87.90% coverage, 109/124 lines covered
```

### PROOF OF SOURCE

<https://github.com/TerrandoCash/terrando-contracts/tree/7a5dd1398deb5adb4e1a4e86914d1f5e8ad6c8d7/contracts/terrando-anonymizer/src/testing>



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### #2- CATCH COMMON MISTAKES AND IMPROVE YOUR RUST CODE

Using `cargo clippy` we found a collection of lints with common mistakes. Please consider them and improve your Rust code.

<u>Severity</u>	<u>Status</u>
LOW	RESOLVED

### RECOMMENDATION

1) redundant clone

[contracts/terrando-anonymizer/src/execute.rs:71:36](#)

Please remove `clone()` from  
`to_address: proposal.to.clone().to_string()`.

2) using `clone` on type `cosmwasm_std::Uint128` which implements the `Copy` trait

[contracts/terrando-anonymizer/src/execute.rs:73:25](#)

Please remove `clone()` from  
`proposal.amount.clone()`

3) writing `&String` instead of `&str` involves a new object where a slice will do

[contracts/terrando-anonymizer/src/querier.rs:5:20](#)

Change this contract `addr: &String` to contract `addr: &str`  
Change `contract_addr.clone()` to `contract_addr.to_string()`.

4) unneeded `return` statement

[contracts/terrando-anonymizer/src/tools.rs:12:5](#)

Remove `return Err(ContractError::Unauthorized {});`

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<u>Severity</u>	<u>Status</u>
LOW	RESOLVED

### RECOMMENDATION

5) writing `&Vec<_>` instead of `&[_]` involves one more reference and cannot be used with non-Vec-based slices

[contracts/terrando-anonymizer/src/tools.rs:17:26](#)

Change this `contracts_addresses: &Vec<String>` to `contracts_addresses: &[String]`.

6) this expression borrows a reference (`&std::string::String`) that is immediately dereferenced by the compiler

[contracts/terrando-anonymizer/src/tools.rs:22:52](#)

Change this `let addr_form = deps.api.addr_validate(&contract);`

to `let addr_form = deps.api.addr_validate(contract);`

7) returning an `Err(_)` with the `?` operator

[contracts/terrando-anonymizer/src/tools.rs:24:17](#)

Instead of

`Err::<(), StdError>(StdError::generic_err("Cannot convert address to addr"))?;`

use

`return Err(StdError::generic_err("Cannot convert address to addr")).`

8) this creates an owned instance just for comparison

[contracts/terrando-anonymizer/src/tools.rs:32:49](#)

Instead of `"uusd".to_string()` use `*"uusd"`

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### #3- BIGINT IS UNMAINTAINED, USE UINT INSTEAD

Using `cargo audit` we found a use of not maintained library.

<u>Severity</u>	<u>Status</u>
LOW	RESOLVED

### RECOMMENDATION

```
Crate:      bigint
Version:    4.4.3
Warning:    unmaintained
Title:      bigint is unmaintained, use uint instead
Date:       2020-05-07
ID:         RUSTSEC-2020-0025
URL:        https://rustsec.org/advisories/RUSTSEC-2020-0025
Dependency tree:
bigint 4.4.3
├── cosmwasm-bignumber 2.2.0
│   └── terrnado-anonymizer 1.0.0
```



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## #4- SATISFY LICENSE REQUIREMENTS

Using `cargo deny check` we found that you do not follow the requirements regarding to license from your dependencies.

Severity.

Status

LOW

ACKNOWLEDGED

## RECOMMENDATION

One important aspect that one must always keep in mind when using code from other people is what the licensing of that code is and whether it fits the requirements of your project. Luckily, most of the crates in the Rust ecosystem tend to follow the example set forth by Rust itself, namely dual-license MIT and Apache 2.0, but of course, that is not always the case.



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