

Axelar Amplifier - Cryptographic Security Assessment Axelar Version 1.0 - Final Report - March 22, 2024

1 Executive Summary

Synopsis

During February 2024, Axelar engaged NCC Group's Cryptography Services team to perform a review of *axelar-amplifier*, which allows developers to interact across multiple chains within the Axelar network without incurring the additional cost of connecting to each chain individually. Hence, the resources are "amplified" by leveraging *axelar-amplifier*. The review was delivered remotely by 2 consultants with a total effort of 15 person-days for the initial review, focusing on a detailed code and documentation review. A retest was performed in March 2024.

Scope

The review targeted the complete *axelar-amplifier* repository at commit 4d1535d, with the highest priority code in: *ampd/*, *contracts/*, and *packages/*.

The review is supplemented by a Google Doc provided by Axelar serving as an overview to the *docs*/ folder within the repository.

Limitations

The scope of the review was limited to those contracts and components located directly within *axelar-amplifier*. This report does not include any contracts deployed on other chains, or outside of *axelar-amplifier* but within the Axelar ecosystem.

Key Findings

The review resulted in four (4) findings, including a finding identified by Axelar prior to this review:

- Finding "Vulnerable and Outdated Dependencies" highlights several dependencies with known RustSec vulnerabilities.
- Finding "Multiple ChainName Implementations May Cause Issues or Confusion" describes a data structure with inconsistent behavior between components.
- Finding "Insufficient Duplicate Public Key Detection" identifies how non-canonical public key representations may circumvent duplicate detection.
- Finding "Open TODO Regarding Worker Set Confirmation Nonce Validation" highlights a known security issue relating to freshness in worker set polls.

Additionally, several additional notes and observations from the engagement are summarized in the appendix Engagement Notes. After retesting, NCC Group found that one (1) of the findings was fixed by the team at Axelar, two (2) findings were partially fixed, and one (1) finding was acknowledged as "Risk Accepted", as the fix is dependent on third-party updates. Additionally, *all* notes in the Engagement Notes were addressed by the Axelar team.

Strategic Recommendations

- The reviewed code was found to be well documented and to contain comprehensive test cases throughout. It is recommended to maintain this high degree of test and documentation coverage moving forward.
- If additional cryptographic components are added in the future, consider having the new components and their integration reviewed. For example, recent commits suggest a new signature verifier callback API is under development.
- Look into methods for automating dependency management to ensure that vulnerable or outdated dependencies are not present at the time of release, and that future vulnerabilities are caught and addressed promptly.



 A large number of TODO comments exist within the code. While many of these document minor features, a few may have wider security implications. It may be beneficial to audit the codebase for TODO items and prioritize fixes prior to a major release. 			

Dashboard

Target Data		Engagement Data		
Name	axelar-amplifier	Туре	Security Assessment	
Туре	Blockchain	Method	Code-assisted	
Platforms	Rust	Dates	2024-02-05 to 2024-02-23	
Environment	Local	Consultants	2	
		Level of Effort	15 person-days	

Targets

axelaramplifier https://github.com/axelarnetwork/axelar-amplifier

"The Interchain Amplifier enables developers to permissionlessly set up connections to the Axelar network. Developers gain access to Axelar's interconnected network of chains and can "amplify" their resources by paying the cost equivalent to developing only one connection. They can establish connections between new ecosystems or existing chains to add new network properties, such as improved security or better delivery and availability."

Finding Breakdown

Finding breakdown	
Critical issues	0
High issues	0
Medium issues	0
Low issues	2
Informational issues	2
Total issues	4
Category Breakdown	

Cryptography	2				
Data Validation	1				
Patching	1				
Critical	High	Medium	Low	Informational	

3 Table of Findings

For each finding, NCC Group uses a composite risk score that takes into account the severity of the risk, application's exposure and user population, technical difficulty of exploitation, and other factors.

Title	Status	ID	Risk
Vulnerable and Outdated Dependencies	Fixed	4CA	Low
Insufficient Duplicate Public Key Detection	Partially Fixed	AP7	Low
Multiple ChainName Implementations May Cause Issues or Confusion	Partially Fixed	N2P	Info
Open TODO Regarding Worker Set Confirmation Nonce Validation	Risk Accepted	LXB	Info

Finding Details

Low Vulnerable and Outdated Dependencies

Overall Risk Low Finding ID NCC-E010021-4CA Undetermined **Impact** Component axelar-amplifier

Exploitability Undetermined Category Patching

> Status Fixed

Impact

Attackers may use public security advisories to identify and exploit vulnerabilities within the application. Even if vulnerabilities are not exploitable, the presence of outdated or vulnerable dependencies may affect the reputation and the perceived security posture of the application.

Description

Several tools are available to assist in managing dependencies within a Rust project. Common examples include cargo outdated to identify out-of-date crates, cargo audit to identify crates with known public security warnings or vulnerabilities, and cargo deny, which can integrate these tools into the build process. Similarly, GitHub Actions and tools, such as Dependabot, can be used to flag builds, define release tasks, or open PRs to manage dependencies.

The following vulnerabilities in third-party dependencies were identified by cargo audit:

- h2: Resource exhaustion vulnerability in h2 may lead to Denial of Service (DoS)
- quinn-proto: Denial of service in Quinn servers
- rsa: Marvin Attack: potential key recovery through timing sidechannels
- serde-json-wasm: Stack overflow during recursive JSON parsing
- shlex: Multiple issues involving quote API
- tungstenite: Tungstenite allows remote attackers to cause a denial of service
- webpki: webpki: CPU denial of service in certificate path building

These issues do not appear to affect any of the reviewed code but are inherited via usage in third-party dependencies. A detailed assessment of the affected dependencies was not performed.

The following warnings in third-party dependencies are known:

- Unmaintained dependencies: difference, dirs
- Yanked dependencies: ahash 0.7.6, ahash 0.8.3, elliptic-curve 0.13.5, gateway-api 0.1.0, move-bytecode-verifier 0.1.0, move-command-line-common 0.1.0, move-coverage 0.1.0, move-ir-to-bytecode 0.1.0, move-symbol-pool 0.1.0, rustls-webpki 0.101.5

Of the above warnings, only dirs is used directly within the reviewed code in order to parse a home directory from a config file. The remaining issues are inherited from third-party dependencies.

Similarly, cargo outdated identifies several dependencies that are not currently up to date.

Dependency management is an ongoing process, and several of the issues documented here are recent, and in one case were published during NCC Group's review. No automation or quality gates for dependency management were identified (e.g., Dependabot, GitHub



Actions, or cargo deny), but it is understood that a manual review is likely to take place before any public release. In general, it is recommended to automate dependency management to some degree and to address cargo audit issues proactively, even if they do not directly affect a project. Reputational damage may occur if a project is found to be unresponsive to known security issues.

Recommendation

- 1. Review direct outdated dependencies using cargo outdated -R and update where possible.
- 2. Review cargo audit results and follow guidance where possible.
- 3. Consider automating dependency management to some degree using a GitHub Action or similar to ensure that new updates and vulnerabilities are flagged for review on a regular interval or as a quality gate before any release.

Retest Results

2024-03-20 - Fixed

The Axelar team updated vulnerable direct dependencies in commit 729b00f, and noted that they plan on continuing to monitor vulnerabilities in third-party dependencies in the future to determine the appropriate course of action.

Additionally, commit 15c4344 helps automate dependency management by implementing a GitHub Action that periodically sends Dependabot reports to the team's Slack channel.

As such, this finding is considered *fixed*.

Client Response

We have updated vulnerable direct dependencies, but many vulnerabilities are introduced through indirect dependencies which we cannot control and for which there are no patches yet. We are continuing to monitor the situation and evaluating if we need to replace or implement those dependencies ourselves. As stated, the vulnerabilities currently do not impact our own code base.

Furthermore, we instantiated a Github action that periodically sends Dependabot reports to our team's slack channel. We did not opt for automatic pull requests for two reasons. First, there are multiple dependencies for which we cannot upgrade to the current version for various reasons, so a manual approach seems more appropriate. Second, in case of a serious vulnerability we do not want to advertise that fact in the public repository. We believe it is safer for the team to get contacted directly so we can react to it internally before providing potentially exploitable information to the public.



Insufficient Duplicate Public Key Detection

Overall Risk Low Finding ID NCC-E010021-AP7 **Impact** Component axelar-amplifier Low **Exploitability** None Category Cryptography Status Partially Fixed

Impact

When saving a public key there is an explicit check to ensure that the public key does not already exist in storage. This check does not account for the same key being presented in a different format, and will therefore not correctly detect all duplicates.

Description

The save_pub_key() function adds the provided public key to storage, returning an error if the key is already present:

```
96
     pub fn save_pub_key(
 97
         store: &mut dyn Storage,
 98
         signer: Addr,
 99
         pub_key: PublicKey,
100
     ) -> Result<(), ContractError> {
         if pub keys()
101
102
             .idx
103
              .pub key
104
              .item(store, HexBinary::from(pub_key.clone()).into())?
105
              .is some()
106
         {
107
             return Err(ContractError::DuplicatePublicKey);
108
109
110
         Ok(pub_keys().save(store, (signer, pub_key.key_type()), &pub_key.into())?)
111
     }
```

Figure 1: contracts/multisig/src/state.rs

However, it is important to note that a secp256k1 public key can be represented as either an uncompressed point representing the complete (x,y) coordinate on the curve, or a compressed point consisting of just the x-coordinate and a sign bit. The first byte of a hexencoded key specifies the key type and implies the sign bit where relevant. The implemented PublicKey type supports both compressed and uncompressed points, with the underlying storage at this layer being a typed wrapper for a HexBinary string:

```
220
     impl TryFrom<(KeyType, HexBinary)> for PublicKey {
221
          type Error = ContractError;
222
          fn try_from((key_type, pub_key): (KeyType, HexBinary)) -> Result<Self, Self::Error> {
223
224
               match key_type {
225
                  KeyType::Ecdsa => {
                      if pub_key.len() != ECDSA_COMPRESSED_PUBKEY_LEN
226
                           && pub_key.len() != <a href="ECDSA_UNCOMPRESSED_PUBKEY_LEN">ECDSA_UNCOMPRESSED_PUBKEY_LEN</a>
227
228
229
                           return Err(ContractError::InvalidPublicKeyFormat {
                               reason: "Invalid input length".into(),
230
```

```
231 });
232 }
233 Ok(PublicKey::Ecdsa(pub_key))
234 }
```

Figure 2: contracts/multisig/src/key.rs

As implemented, the <code>save_pub_key()</code> function will not prevent the same public key from being saved twice if it is presented in different formats. A more robust check would be to prevent the storage of any key for which the x-coordinate of the public key is already stored by checking bytes <code>[1..ECDSA_COMPRESSED_PUBKEY_LEN]</code>, or to force a canonical representation prior to storage, such as only supporting compressed points.

A similar issue applies to ed25519 public keys, for which the addition of a low-order point to the public key will result in an equivalent public key; see RFC 7748:

Designers using these curves should be aware that for each public key, there are several publicly computable public keys that are equivalent to it, i.e., they produce the same shared secrets. Thus using a public key as an identifier and knowledge of a shared secret as proof of ownership (without including the public keys in the key derivation) might lead to subtle vulnerabilities.

The impact of this finding appears to be minimal, as the only call to <code>save_pub_key()</code> is in <code>register_pub_key()</code>, which is preceded by a check that the public key is associated with the sending address. Therefore, attempts to store a duplicate public key for a second address will fail signature validation prior to calling <code>save_pub_key()</code>. Attempts to store a duplicate key for the same sending address will overwrite the stored key bytes with the supplied key bytes, thereby updating the format of the stored key. Nevertheless, the implemented functionality appears to be incorrect, and the existing test <code>should_fail_if_duplicate_public_key()</code> will not correctly fail if run on two keys of different formats. Therefore, it may be desirable to revise this function to prevent unintended consequences in the future.

Recommendation

Consider the following:

- Compare the x-coordinates of an incoming secp256k1 public key to existing keys to ensure duplicates are correctly detected.
- Restrict support to only compressed or only uncompressed secp256k1 keys such that there is a singular canonical representation for each stored key.
- Evaluate the security impact of duplicate key storage and determine if additional normalization of ed25519 public keys is required.

Location

- axelar-amplifier/contracts/multisig/src/state.rs
- axelar-amplifier/contracts/multisig/src/key.rs

Retest Results

2024-03-20 - Fixed

In commit b93af44, the try_from() function was updated to normalize secp256k1 public keys into the compressed form prior to saving, thus ensuring that save_pub_key() correctly detects secp256k1 duplicates.

No normalization was added for ed25519 public keys, but the Axelar team noted that additional validation was planned for both secp256k1 (for public key validation beyond the



current basic format checks) and ed25519 (to ensure the encoding scheme is standard). As such, this finding is considered *partially fixed*.

Client Response

We are normalizing the stored public key now, but there are some follow up tasks for additional key validation that have not been addressed yet but are planned.



Info Multiple ChainName Implementations May **Cause Issues or Confusion**

Overall Risk Informational Finding ID NCC-E010021-N2P **Impact** Iow Component axelar-amplifier **Exploitability** None Category Data Validation Status Partially Fixed

Impact

Multiple conflicting implementations sharing the same name may cause confusion or potential discrepancies within the system if the incorrect primitive is used.

Description

Within the axelar-amplifier codebase, the following three separate implementations of a primitive called ChainName were observed:

```
282
     pub struct ChainName(String);
283
284
     impl FromStr for ChainName {
285
         type Err = ContractError;
286
287
         fn from_str(s: &str) -> Result<Self, Self::Err> {
             if s.contains(ID_SEPARATOR) || s.is_empty() {
288
289
                 return Err(ContractError::InvalidChainName);
290
291
292
             Ok(ChainName(s.to_lowercase()))
293
         }
     }
294
```

Figure 3: contracts/connection-router/src/state.rs

```
42
    pub struct ChainName(String);
43
44
    impl Hash for ChainName {
        /// this is implemented manually because we want to ignore case when hashing
45
46
        fn hash<H: std::hash::Hasher>(&self, state: &mut H) {
47
            self.0.to_lowercase().hash(state)
48
    }
49
50
51
   impl PartialEq for ChainName {
52
        /// this is implemented manually because we want to ignore case when checking equality
53
        fn eq(&self, other: &Self) -> bool {
            self.0.to_lowercase() == other.0.to_lowercase()
54
55
        }
   }
56
57
58
   impl FromStr for ChainName {
59
        type Err = Error;
60
        fn from_str(chain_name: &str) -> Result<Self, Self::Err> {
```

```
62
            let is_chain_name_valid = Regex::new(CHAIN_NAME_REGEX)
63
                .expect("invalid regex pattern for chain name")
                .is_match(chain_name);
64
65
66
            if is_chain_name_valid {
67
               Ok(ChainName(chain_name.to_string()))
68
            } else {
69
               Err(Error::ChainNamePatternMismatch(chain_name.to_string()))
70
71
        }
72
   }
```

Figure 4: packages/connection-router-api/src/primitives.rs

```
12
    pub enum ChainName {
13
        Ethereum,
14
        #[serde(untagged)]
        Other(String),
15
16 }
17
18
    impl PartialEq<connection_router::state::ChainName> for ChainName {
19
        fn eq(&self, other: &connection_router::state::ChainName) -> bool {
20
            self.to_string().eq_ignore_ascii_case(other.as_ref())
        }
21
   }
22
```

Figure 5: ampd/src/evm/mod.rs

These three implementations all use different rules for filtering invalid chain names and for normalizing the provided strings.

For instance, the ChainName implementation in connection-router rejects all chain names containing the character ":", the ChainName implementation in connection-router-api rejects all chain names that do not satisfy the CHAIN_NAME_REGEX: &str = "^[A-Z]?[a-z]+(-?[0-9]+)? \$"; , which matches any string of lowercase letters (first letter may be uppercase), potentially followed by a number or a dash and a number. Finally, the ChainName enum in evm does not perform any filtering on the provided string.

Additionally, the *connection-router* implementation converts strings to lowercase prior to saving, while the *connection-router-api* implementation only converts to lowercase in the implementation for equality testing. Similarly, the **ChainName** enum in *evm* does no normalization on strings, although it does ignore case when comparing with **ChainName** objects from *connection-router*. Note that the *evm* **ChainName** enum does not implement an equality function against itself, so two *evm* **ChainName** objects that are both equivalent to a *connection-router* **ChainName** object may not be considered equal to each other, as can be seen in the test below.

The existence of multiple ChainName implementations may cause confusion for developers on the codebase that are not familiar with the different objects and the differences between them. Additionally, the slight differences in behaviour between them may cause differences in behaviour of the system for some particular chains, which may not be desirable.

Finally, note that the normalization functions used for all three ChainName implementations, to_lowercase and eq_ignore_ascii_case, may not be sufficient if a unicode chain name is passed in. For example, there are a number of characters that have multiple valid unicode encodings, such as the Á (a-acute) glyph which can be encoded as a single character U+00C1 (the "composed" form), or as two separate characters U+0041 then U+0301 (the



"decomposed" form), and hence identical strings may be detected as being different. Normalization is the process of standardizing string representation such that if two strings are canonically equivalent and are normalized to the same normal form, their byte representations will be the same, and is the recommended approach for unicode string comparisons.

Recommendation

Consider consolidating the existing **ChainName** implementations, aligning their various implementations, or clearly documenting the differences between them and expected usecases.

Additionally, determine whether unicode chain names are expected within the system, and consider either enforcing that unicode chain names are not allowed, or using a unicode-friendly normalization method for comparisons instead.

Reproduction Steps

The following test, adapted from the existing test in axelar-amplifier/ampd/src/evm/mod.rs will fail, as two enum ChainNum objects from evm that are both equivalent to a connection-router ChainName object may not be considered equal to each other:

```
use crate::evm;
use connection_router::state::ChainName;
use std::str::FromStr;
use crate::handlers::config::Chain;

#[test]
fn chain_name_partial_eq() {

    assert_eq!(evm::ChainName::Other("Fantom".to_string()),
    \( \top \frac{ChainName}{ChainName} \text{:from_str("fantom").unwrap());} \)
    assert_eq!(evm::ChainName::Other("fantom".to_string()),
    \( \top \frac{ChainName}{ChainName} \text{:from_str("fantom").unwrap());} \)
    assert_eq!(evm::ChainName::Other("Fantom".to_string()), evm::ChainName::Other("fantom".to_string()));
```

Location

- axelar-amplifier/contracts/connection-router/src/state.rs
- axelar-amplifier/packages/connection-router-api/src/primitives.rs
- axelar-amplifier/ampd/src/evm/mod.rs

Retest Results

2024-03-20 - Partially Fixed

In commits 70f6283, f2e7f17b, and 9c139de, the repository has been refactored to only have a single ChainName struct, in the *connection-router-api*. As part of this refactoring, the ChainName enum in *ampd* has been repurposed and renamed, to denote the type of finalizer for each chain instead.

However, note that no update to unicode-friendly normalization methods or unicode filtering has been observed within the above commits. As such, this finding is considered *partially fixed*.

^{1.} https://docs.rs/unicode-normalization/0.1.13/unicode_normalization/



Client Response

The refactoring of the connection router has been completed, so there is only a single ChainName struct in the connection-router-api. Furthermore, the ChainName in ampd has been repurposed and renamed to only denote the type of finalizer to use for each chain.



Info

Open TODO Regarding Worker Set Confirmation Nonce Validation

Overall RiskInformationalFinding IDNCC-E010021-LXBImpactComponentaxelar-amplifierExploitabilityUndeterminedCategoryCryptographyStatusRisk Accepted

Impact

Failure to distinguish between distinct polls on a worker set will cause a previously approved worker set to always be confirmed in the future.

Description

This finding details a security issue/TODO in the reviewed code that was already known and documented by Axelar.

The Multisig contract defines a WorkerSet, which describes a list of signers and the threshold of signatures required from the workers to proceed.

```
10
    pub struct WorkerSet {
        // An ordered map with the signer's address as the key, and the signer as the value.
11
12
        pub signers: BTreeMap<String, Signer>,
13
        pub threshold: Uint256,
        // for hash uniqueness. The same exact worker set could be in use at two different
14
        → times,
15
        // and we need to be able to distinguish between the two
        pub created_at: u64,
16
        // TODO: add nonce to the voting verifier and to the evm gateway.
17
        // Without a nonce, updating to a worker set that is the exact same as a worker set in
18
        \hookrightarrow the past will be immediately confirmed.
19
        // https://github.com/axelarnetwork/axelar-amplifier/pull/70#discussion_r1323454223
20 }
```

Figure 6: contracts/multisig/src/worker_set.rs

In order to distinguish between a <code>WorkerSet</code> at two different points in time, the current block height is included as <code>created_at</code> in the <code>WorkerSet</code>. However, this value is not currently leveraged by the necessary contracts that process the <code>WorkerSet</code>. This issue was identified internally by Axelar during their own QA, as documented in PR #70.

During NCC Group's review, Axelar confirmed that the issue is still open. Therefore, this finding is being filed for completeness and to track potential retesting in the future.

Recommendation

Add the missing freshness checks to the other components of the worker set confirmation flow.

Location

axelar-amplifier/contracts/multisig/src/worker_set.rs



Retest Results

2024-03-20 - Not Fixed

The Axelar team indicated that this TODO cannot yet be addressed due to changes being required to contracts on external chains first, but that it will be remediated as soon as possible. As such, this finding is marked as *risk accepted*.

Client Response

This is still an open task, because we are blocked by necessary changes to gateway contracts on external chains. As soon as these contracts can deal with an additional nonce we will add it on the amplifier side.

5 Finding Field Definitions

The following sections describe the risk rating and category assigned to issues NCC Group identified.

Risk Scale

NCC Group uses a composite risk score that takes into account the severity of the risk, application's exposure and user population, technical difficulty of exploitation, and other factors. The risk rating is NCC Group's recommended prioritization for addressing findings. Every organization has a different risk sensitivity, so to some extent these recommendations are more relative than absolute guidelines.

Overall Risk

Overall risk reflects NCC Group's estimation of the risk that a finding poses to the target system or systems. It takes into account the impact of the finding, the difficulty of exploitation, and any other relevant factors.

Rating	Description
Critical	Implies an immediate, easily accessible threat of total compromise.
High	Implies an immediate threat of system compromise, or an easily accessible threat of large-scale breach.
Medium	A difficult to exploit threat of large-scale breach, or easy compromise of a small portion of the application.
Low	Implies a relatively minor threat to the application.
Informational	No immediate threat to the application. May provide suggestions for application improvement, functional issues with the application, or conditions that could later lead to an exploitable finding.

Impact

Impact reflects the effects that successful exploitation has upon the target system or systems. It takes into account potential losses of confidentiality, integrity and availability, as well as potential reputational losses.

Rating	Description
High	Attackers can read or modify all data in a system, execute arbitrary code on the system, or escalate their privileges to superuser level.
Medium	Attackers can read or modify some unauthorized data on a system, deny access to that system, or gain significant internal technical information.
Low	Attackers can gain small amounts of unauthorized information or slightly degrade system performance. May have a negative public perception of security.

Exploitability

Exploitability reflects the ease with which attackers may exploit a finding. It takes into account the level of access required, availability of exploitation information, requirements relating to social engineering, race conditions, brute forcing, etc, and other impediments to exploitation.

Rating	Description
High	Attackers can unilaterally exploit the finding without special permissions or significant roadblocks.



Rating	Description
Medium	Attackers would need to leverage a third party, gain non-public information, exploit a race condition, already have privileged access, or otherwise overcome moderate hurdles in order to exploit the finding.
Low	Exploitation requires implausible social engineering, a difficult race condition, guessing difficult-to-guess data, or is otherwise unlikely.

Category

NCC Group categorizes findings based on the security area to which those findings belong. This can help organizations identify gaps in secure development, deployment, patching, etc.

Category Name	Description
Access Controls	Related to authorization of users, and assessment of rights.
Auditing and Logging	Related to auditing of actions, or logging of problems.
Authentication	Related to the identification of users.
Configuration	Related to security configurations of servers, devices, or software.
Cryptography	Related to mathematical protections for data.
Data Exposure	Related to unintended exposure of sensitive information.
Data Validation	Related to improper reliance on the structure or values of data.
Denial of Service	Related to causing system failure.
Error Reporting	Related to the reporting of error conditions in a secure fashion.
Patching	Related to keeping software up to date.
Session Management	Related to the identification of authenticated users.
Timing	Related to race conditions, locking, or order of operations.



6 Engagement Notes

This section documents comments and observations made during the review that are not security-related or did not warrant standalone findings, but which may nevertheless be of interest to the Axelar team.

Checked vs. Unchecked Arithmetic

Rust provides several options for safe arithmetic operations, allowing developers to specify checked, wrapping, or saturating operations. In a debug build, arithmetic operations default to their checked versions, where a panic occurs if an operation overflows. In a release build, overflowing arithmetic operations default to their wrapping versions. In general, and particularly in security-sensitive code, it is good practice to explicitly specify which version of an operation should be used. Even if overflow is unlikely to occur with expected inputs, future changes to the code or malicious input may be able to force unintended behavior. For example, the following code tracks the gas cost for a set of messages in a queue:

```
impl MsgQueue {
   pub fn push(&mut self, msg: Any, gas_cost: Gas) {
      self.msgs.push(msg);
      self.gas_cost += gas_cost;
}
```

Figure 7: ampd/src/queue/msq_queue.rs

Similarly, the following code performs checks against the batch_gas_limit:

```
if fee.gas_limit + queue.gas_cost() >= self.batch_gas_limit {
   interval.reset();
   broadcast_all(&mut queue, &mut broadcaster).await?;
}
```

Figure 8: ampd/src/queue/queued_broadcaster.rs

Here, the various cost and limit values are u64 values and will therefore use wrapping arithmetic operations by default in release. While there may be no envisioned scenario in which these values can overflow, it could be considered a defense-in-depth measure to use saturating addition, such that the result of summing gas costs will never wrap around to 0.

Another example can be found in the distribute_rewards() function:

```
132
             let to = std::cmp::min(
133
                 (from + epoch_process_limit).saturating_sub(1), // for process limit =1 "from"
                 → and "to" must be equal
                 cur_epoch.epoch_num.saturating_sub(EPOCH_PAYOUT_DELAY),
134
135
             );
136
             if to < from || cur_epoch.epoch_num < EPOCH_PAYOUT_DELAY {</pre>
137
                 return Err(ContractError::NoRewardsToDistribute.into());
138
139
             }
```

Figure 9: contracts/rewards/src/contract/execute.rs

In this case, the <code>from + epoch_process_limit</code> addition will use wrapping arithmetic operations by default in release. This may cause an error to be returned on line 138 if the input parameter <code>epoch_process_limit</code> is large enough that the addition <code>from + epoch_process_limit</code> wraps, and is at odds with the <code>saturating_sub</code> used immediately afterwards. While there does not appear to be a scenario in which this unchecked addition will cause issues beyond hindering the execution of the call to <code>distribute_rewards()</code> itself, it may be more intuitive to replace the <code>+</code> with a call to <code>saturating_add</code>.



Note that other areas of the code utilize the cosmwasm_std::Uint256 type, which explicitly utilizes checked addition:

```
427
     impl Add<Uint256> for Uint256 {
428
         type Output = Self;
429
         fn add(self, rhs: Self) -> Self {
430
431
             Self(
432
                self.0
433
                     .checked_add(rhs.0)
434
                     .expect("attempt to add with overflow"),
435
436
         }
     }
437
```

Figure 10: cosmwasm-std-1.4.0/src/math/uint256.rs

There are a few structures/traits in the code that implement arithmetic operations as well, such as **Pollid** and **FiniteAmount**. These default to wrapping operations and should be reviewed for safety with respect to this default behavior.

Retest results: In commit f0f58b9, all highlighted instances were updated to use checked or saturating addition explicitly. Additionally, commit 27e1abf added clippy linters that check arithmetic operations to the project setup to detect future instances of potentially unsafe arithmetic operations. As such, this note is considered *fixed*.

Potentially Unsafe / Diverging Behavior in Signature Verification

A minor deviation in behavior between the code paths for secp256k1 and ed25519 signature verification was observed. In all current uses the implementation appears safe, but the divergence may represent a potential implicit assumption in the current approach that may not hold for all future use cases.

The library supports both secp256k1 and ed25519 signatures, both encapsulated in a Signature that provides a verify() function which calls the appropriate curve-specific verify function. However, it was noted that the two verification functions accept slightly different data types, with one consuming a Signature and the other a &[u8] array, although both versions ultimately operate on &[u8] arrays when calling the supporting library:

Figure 11: contracts/multisig/src/key.rs

It also appears that the resulting arrays passed in here should be of the correct length for the associated algorithm. Therefore, reviewed usage of the functions should be safe and behave as expected.

```
pub fn ecdsa_verify(
    msg_hash: &[u8],
    sig: &Signature,
    pub_key: &[u8],

1 ) -> Result<bool, ContractError> {
    secp256k1_verify(msg_hash, sig.as_ref(), pub_key).map_err(|err| {
        ContractError::SignatureVerificationFailed {
```



Figure 12: contracts/multisig/src/secp256k1.rs

This function calls through to secp256k1_verify() using the provided signature which will panic if the length is invalid. Compare this with the ed25519 version, which performs a truncation of the input to the expected length:

```
const ED25519_SIGNATURE_LEN: usize = 64;
4
5
   pub fn ed25519_verify(msg_hash: &[u8], sig: &[u8], pub_key: &[u8]) -> Result<bool,</pre>
   cosmwasm_crypto::ed25519_verify(msg_hash, &sig[0..ED25519_SIGNATURE_LEN],
6
       → pub_key).map_err(
           |e| ContractError::SignatureVerificationFailed {
7
8
               reason: e.to_string(),
9
           },
10
       )
11 }
```

Figure 13: contracts/multisig/src/ed25519.rs

This function only passes 64 bytes through to ed25519_verify(), silently truncating the input, or panicking on less than 64 bytes of input. Extraneous data appended to the input buffer will be ignored, which may be seen as undesirable or unexpected behavior in many contexts. This does not represent an exploitable issue or security concern within the current use cases but may represent a potential future vulnerability if the function is used elsewhere.

Retest results: In commit 5e0cec8, the ed25519_verify() function was aligned to match ecdsa_verify(), and no longer truncates the input signature to 64 bytes. As such, this note is considered fixed.

Unnecessary Complexity In verify() Implementation

The verify() function for the Signature class provides a wrapper around the ed25519_verify() and the secp256k1_verify() functions from the cosmwasm-crypto crate. As such, it returns a Result<bool, ContractError>, corresponding exactly to the returned values from the underlying crate:

```
169
     impl Signature {
170
         pub fn verify<T: AsRef<[u8]>>(
171
             &self,
172
             msq: T,
173
             pub_key: &PublicKey,
174
         ) -> Result<bool, ContractError> {
175
             if !self.matches_type(pub_key) {
176
                 return Err(ContractError::KeyTypeMismatch);
177
             }
178
179
             match self.key_type() {
                 KeyType::Ecdsa => ecdsa_verify(msg.as_ref(), self, pub_key.as_ref()),
180
```



Figure 14: contracts/multisig/src/key.rs

The underlying functions in the cosmwasm-crypto crate generally return an error if the signature verification fails during parsing, and a value of False if the signature parses correctly but does not verify, both of which should be considered as denoting invalid signatures. As such, both usages of verify() in the codebase treat a returned value of False and an Error in the same way, returning an Error up the calling stack:

```
if !signed_sender_address.verify(address_hash.as_slice(), &public_key)? {
    return Err(ContractError::InvalidPublicKeyRegistrationSignature);
}
```

Figure 15: contracts/multisig/src/contract/execute.rs

Consider moving this handling of returned values into the verify() function, by having it
return an Error on returned value False as well. This would simplify calls to it, and prevent
potential accidental missed checks by callers of the verify() function in the future.

Retest results: In commit e120fa80, the verify() function was updated to return an error for both an error and a return value of *False* from the underlying functions from the cosmwasm-crate, as recommended. Additionally, a new test was added to exercise the Error path of the verify() function. As such, this note is considered *fixed*.

Discrepancy Between Rewards and Signing Weights Implementations

In the current set-up for the Signing contract, each participant has an individual weight defined, and participants with a higher weight contribute more towards the signing threshold needed to finalize a multi-signature. On the other hand, the rewards computation is currently based on the number of events a worker has participated in (subject to a minimum threshold), and thus is entirely independent of the weight contributed by each individual during signing. In the current code, all signer weights are set to 1, matching the rewards distribution. Additionally, the Axelar team noted that they do not expect the weights to change for the time being, and that future signing weight changes may not be strictly reflected on the rewards side.

However, note that implementing variable weights only for the Signing contract and not for the Rewards contract may restrict the usefulness of the variable weights implementation for the Signing contract, as any signing weights distribution that would require an update to the rewards distribution will necessitate development effort to update the Rewards contract.

Retest results: In commits c179252 and 1b76958, the worker weights are explicitly set to 1, and documentation was added to clarify the use and default values of the worker weights, and to note that the rewards module chooses to ignore worker weights. As such, this note is considered *fixed*.



Documentation Comments Governance Operations

Several operations in the *axelar-amplifier* interface are restricted to authorized callers, such as the governance address, which can be used to add/remove support for external chains, or to alter the rewards mechanisms. The documentation for the Service Registry contract, for example, includes such details in the interface documentation:

```
// Authorizes workers to join a service. Can only be called by governance account.

Workers must still bond sufficient stake to participate.

AuthorizeWorkers {
    workers: Vec<String>,
    service_name: String,
},
```

Figure 16: doc/src/contracts/service_registry.md

It was noted that the Multisig contract similarly requires governance authorization for AuthorizeCaller and UnauthorizeCaller, but this is not mentioned in the written documentation nor within the interface specification. It may be beneficial to developers to revise the interface specification here to include annotations consistent with the other contracts and to make the calling requirements explicit.

Retest results: In commit da01357, the suggested documentation was added for the AuthorizeCaller and UnauthorizeCaller functions. As such, this note is considered *fixed*.

Default Epoch Count During Rewards Distribution

The documentation for the Rewards contract specifies the behavior of the DistributeRewards function as follows:

Figure 17: doc/src/contracts/rewards.md

This is further clarified in the interface documentation:

Figure 18: contracts/rewards/src/msg.rs

However, this documentation does not make it clear what the default behaviour for **DistributeRewards** is, if the **epoch_count** is left unspecified. In particular, this default is set to 10 epochs, which differs from both the single epoch implied by the contract documentation, and the maximum possible number of epochs, as implied by the interface documentation.

Retest results: In commit a129522, the interface documentation was updated to clarify the default behavior. As such, this note is considered *fixed*.



Typographical Errors

- Verfier graph -> Verifier graph in doc/src/contracts/voting_verifier.md
- packges/signature-verifier-api -> packages/signature-verifier-api, observed in doc/ src/contracts/multisig.md at a later commit during the engagement

Retest results: In commit aad015b, the highlighted errors were corrected, along with additional issues reported by a spell-checker run over the entire repository. As such, this note is considered *fixed*.



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