



CatNIP

Security Assessment



**Anonymous
Token
\$ANON**

June 02, 2021

Summary

\$ANON uses LIQ, a transaction tax for increasing liquidity via contract swaps. This is called Swap and Liquify. It also has a minting feature.



There is a major concern with this minting as described in the Minting Section.



There is a major concern with the Developers' token amount and using Alts.



There are minor problems for the Locked Liquidity.

The result is at the end. We recommend reading each section first.

MINTING

Currently, as of 2021-06-02, the developers have the power to mint ~270 million tokens.

This amount mintable increases at a rough rate of:

26,000 per minute

or

260,000 per 10 minutes

or

1,560,000 per hour

or

37,440,000 per day

or

262,080,000 per week

They can only dump a max of 6.8 Billion tokens total, **but the problem is real.** As this number grows bigger, they have more and more power to dump and take all of the liquidity. The team can do this at any time.



Minting Solutions

- ➔ One fix would be to increase the supply of Token and BNB at the same rate. This would be difficult to do unless the developers have BNB to add with it.
- ➔ Another fix would be to burn at the end of every day. Each day they can mint 40~ Million tokens (38,880,000). They can burn the supply they can mint as a community agreement.
- ➔ Another fix is to just do daily giveaways, but conducting a large token giveaway may not be the best idea.
- ➔ Another fix would be to lock the tokens in a contract and allow a multisig to agree to release these tokens. It would require time to build a lock up contract with a multisig, but it could get the community involved. The community could agree to let the dev team have those minted tokens. A multisig can easily be implemented with gnosis-safe.io - it is free to use for anyone.
- ✓ The CatNIP team thinks the best solution is a multisig.
The CatNIP team thinks the second-best solution is a daily burn.

SWAP AND LIQUIFY

As previously described, this contract sells its own token to the PancakeSwap pool and gets BNB.

The contract then re-adds liquidity.

This is a standard feature, but when it does that, it sends the newly minted tokens to the burn pool so that liquidity is burned permanently.

Solutions

n/a

LOCKED LIQUIDITY



The developers currently have locked liquidity (~40 BNB) in {LINK REMOVED FOR PRIVACY}

This lock-up contract is a little different than most. It has some fee taking for the deployer of the contract. It also has admin roles, but they do not interfere with the security of the \$ANON contract.

Most liquidity is locked until June 26, 2021 by one address, this account:

{REMOVED FOR PRIVACY}

So, on June 26, 2021, ~40 BNB will be unlocked.

Solutions

- ➔ This could have a multisig locker contract implemented as described in Minting Solutions. The LP tokens are sent there, and multisigs must agree to let the developers use them.
- ➔ Locking it for much longer would inspire investor confidence.

HOLDERS

You can check the public balances here:

{REMOVED FOR PRIVACY}

The top holder is

{REMOVED FOR PRIVACY}

They have 14% of the supply (~250 million).

This is also the account mentioned in Locked Liquidity.

This account is the bot that the team uses to transfer team funds as well as airdrop tokens.

The team has access to the bot's wallet.

Solutions

- ➔ Lock up the tokens that the team has to make sure they can't dump them and exit.
- ➔ See the multisig idea in Minting Solutions.

ANONYMITY

None of the developers are doxxed. This is not inherently a bad thing, but there is a bigger problem:

None of the accounts (Discord and Telegram) have history. The developers are all using alts.

The wallets are all fresh, except for

{REMOVED FOR PRIVACY}

which can be traced back to

{REMOVED FOR PRIVACY}

They sent that address 0.1 BNB and 300,000,000 **{REMOVED FOR PRIVACY}**.

This isn't really proof that they are the same people, but it can be assumed that. But really, what does that matter? This isn't a significant wallet.

Other than him buying **{REMOVED FOR PRIVACY}** token, there isn't really a lot of information.

{REMOVED FOR PRIVACY}

Solutions

- ➔ The developers do not need to doxx themselves; they can just show non-identifying established accounts. There is no need for alts. Surely out of six developers there is one of them that has an online account that doesn't have personal information.

Result:

A red square with the text "D+" in white, indicating a grade or score.

The CatNIP team scores \$ANON with a D+.

There is **no true way to instantly rugpull**, but the tokenomics of this project are in favor of the developers being able to sell their massive amount of tokens at any time. They have the ability to generate 250 million tokens weekly and can mint these and can dump at any time.

All of its developers are using alternate accounts.

The locked liquidity doesn't matter as the devs each have enough tokens to wipe the liquidity instantly, even if the BNB in the pool was 1000 BNB. They have the ability to take most of it.

We give the contract a "+" for not being a SafeMoon clone, but there really isn't anything unique in the code. It's just LIQ with a mint function.

The devs did talk to us in Voice Chat and they have a good understanding of their code, but the majority of their project is just marketing.

Would the CatNIP team buy this token?

No. Not until the problems outlined are fixed. There are significant issues that could take investors' money instantly. A rugger on the development team could wait until they get whales to pump it, target 500 BNB in the pool, and then exit.

ABOUT CATNIP

CatNIP (NIP) is the base cryptocurrency of an NFT-based, decentralized ecosystem on the Binance Smart Chain. The NIP Smart Contract is governed by a Proxy, which is governed by a 72-hour timelock, which is governed by a multisig gnosis safe.

NIP is used for minting game NFTs and is planned to serve a wide variety of purposes such as audit insurance, crypto ETFs, cryptocurrency skill certifications, a NIP NFT marketplace, bridging to other DeFi networks, DeFi partnerships, and more.





Thank you using CatNIP Audits!

-CatNIP Team

Disclaimer: We do our best, but legally the CatNIP team cannot guarantee their audits to deem projects completely safe, bug-free, or risk-free.