### Teaching Plan for UNIT-I: Security Issues

# Day 1: Blockchain & EVM Security (3 Hours)

### 1 Blockchain Security Issues (60 min)

- What makes blockchain secure?
- Common threats in blockchain networks
  - 51% Attack
  - Sybil Attack
  - Eclipse Attack
- Consensus Mechanism Vulnerabilities
  - PoW vs. PoS security issues
  - Mining pool centralization risks

### 2 EVM & Smart Contract Execution Risks (60 min)

- What is the Ethereum Virtual Machine (EVM)?
- EVM Bytecode Vulnerabilities
  - Gas Limit Exploits
  - Storage Collision
  - Unchecked Call Return Values
- Trusted Execution Environments (TEE)
  - How TEEs improve blockchain security
  - Limitations & concerns with TEEs

## 3 Real-Life Blockchain Security Attacks (60 min)

- Bitcoin Gold 51% Attack (2018) \$18M Stolen (Related to 51% Attack)
- Ethereum Classic 51% Attack (2020) \$5.6M Double Spend Attack (Demonstrates Consensus Exploits)
- BZX Protocol Hack (2020) Oracle Price Manipulation (Shows risks in smart contract dependencies)

## Day 2: Smart Contract & Solidity Security (3 Hours)

### 1 Solidity & Smart Contract Vulnerabilities (60 min)

What is Solidity?

- Why smart contracts are vulnerable
- Overview of major smart contract risks

### 2 Common Solidity Security Issues (75 min)

- Reentrancy Attack (With simple explanation & example)
- Integer Overflow & Underflow (Errors due to improper number calculations)
- Denial of Service (DoS) Attack (How attackers block contract execution)
- **Default Visibility Issues** (Why functions should not be public by default)
- Randomness Issues in Smart Contracts (Why generating random numbers is risky in Solidity)

### 3 Real-Life Smart Contract Hacks (45 min)

- Bancor Vulnerability (2018) \$23M loss (Related to Default Visibility Issues & Reentrancy Attack)
- Fomo3D Game Exploit (2018) Ethereum Locked in a Ponzi Scheme (Demonstrates Randomness Issues in Smart Contracts)
- PancakeSwap & Cream Finance DNS Hijacking (2021) Phishing Attack Exploiting
  Visibility & Access Issues (Related to Default Visibility & External Dependencies)

## **ALTERNATIVE**

## Day 1: Introduction to Blockchain Security Issues (2 Hours)

### 1 Introduction to Security in Blockchain (20 min)

- Why is security important in blockchain?
- How blockchain is considered secure but not 100% foolproof
- Examples of security incidents in blockchain

#### 2 Blockchain-Related Security Issues (40 min)

- **51% Attack** (How miners can manipulate blockchain)
- **Sybil Attack** (Fake identities disrupting networks)
- **Eclipse Attack** (Isolating a node from the network)
- Double-Spending Attack (How people try to spend the same cryptocurrency twice)

#### 3 Case Studies of Blockchain Attacks (30 min)

- Bitcoin Gold 51% Attack (2018)
- Ethereum Classic 51% Attack (2020)
- Real-world losses due to blockchain attacks

#### 4 Defense Mechanisms (30 min)

- How blockchains defend against Sybil attacks (PoW, PoS)
- Network monitoring & early attack detection
- Limitations of existing security models

### Day 2: Smart Contract Security & Solidity Issues (2 Hours)

#### Solidity & Smart Contract Vulnerabilities (30 min)

- What is Solidity?
- Why smart contracts are vulnerable
- Overview of major smart contract risks

#### 2 Common Solidity Security Issues (45 min)

- Reentrancy Attack (Explained in simple terms with example)
- Integer Overflow & Underflow (Errors due to improper number calculations)
- Denial of Service (DoS) Attack (How attackers block contract execution)
- Default Visibility Issues (Why functions should not be public by default)
- Randomness Issues in Smart Contracts

#### 3 Real-Life Smart Contract Hacks (45 min)

- Bancor Vulnerability (2018) \$23M loss (Related to Default Visibility Issues & Reentrancy Attack)
- Fomo3D Game Exploit (2018) Ethereum Locked in a Ponzi Scheme (Demonstrates Randomness Issues in Smart Contracts)
- PancakeSwap & Cream Finance DNS Hijacking (2021) Phishing Attack Exploiting Visibility & Access Issues (Related to Default Visibility & External Dependencies)

## Day 3: EVM Bytecode, TEEs & Advanced Security Issues (2 Hours)

## 1 EVM Bytecode Security Issues (40 min)

- What is Ethereum Virtual Machine (EVM)?
- How EVM executes smart contracts
- Attack Vectors:
  - Bytecode manipulation
  - Self-destruct function exploitation
  - Front-running attacks

#### 2 Trusted Execution Environments (TEEs) (40 min)

- What are TEEs?
- How TEEs protect blockchain applications
- Limitations of TEEs

#### 3 Advanced Threats & Future of Blockchain Security (40 min)

- Cross-Chain Attacks (Bridges & security flaws)
- Privacy & Confidentiality Issues in Blockchain
- Quantum Computing & Blockchain Security
- Future Research & Trends in Securing Blockchain

#### **Outcome of This Unit:**

By the end of 6 hours, students will:

- ✓ Understand major security issues in blockchain.
- Learn about real-world attacks & their impact.
- ✓ Gain insights into Solidity vulnerabilities & smart contract security.
- ✓ Be aware of emerging threats like quantum computing & cross-chain attacks.