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Nouns DAO contest Findings & Analysis Report

2022-09-30

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Overview

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About C4

Code4rena (C4) is an open organization consisting of security researchers, auditors, developers, and individuals with domain expertise in smart contracts.

A C4 audit contest is an event in which community participants, referred to as Wardens, review, audit, or analyze smart contract logic in exchange for a bounty provided by sponsoring projects.

During the audit contest outlined in this document, C4 conducted an analysis of the Nouns DAO smart contract system written in Solidity. The audit contest took place between August 22—August 27 2022.

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Wardens

168 Wardens contributed reports to the Nouns DAO contest:

- 1. rbserver
- 2. Respx
- 3. Lambda
- 4. KIntern_NA (TrungOre and duc)
- 5. berndartmueller
- 6. csanuragjain
- 7. cccz
- 8. zzzitron
- 9. bin2chen

10. IEatBabyCarrots 11. jayphbee 12. Deivitto 13. OxSmartContract 14. OxDjango 15. <u>Aymen0909</u> 16. Ch_301 17. <u>TomJ</u> 18. |||||| 19. OxNazgul 20. JohnSmith 21. mics 22. CodingNameKiki 23. Dravee 24. **JC** 25. 0x1f8b 26. Rolezn 27. m_Rassska 28. cRat1stOs 29. Bnke0x0 30. _141345_ 31. GalloDaSballo 32. <u>gogo</u> 33. OxNineDec 34. <u>Funen</u> 35. <u>oyc_109</u> 36. robee 37. ReyAdmirado

38. <u>pfapostol</u>

| 39. ElKu |
|---|
| 40. <u>c3phas</u> |
| 41. ajtra |
| 42. <u>Sm4rty</u> |
| 43. erictee |
| 44. Oxkatana |
| 45. sikorico |
| 46. Olivierdem |
| 47. <u>carlitox477</u> |
| 48. saian |
| 49. <u>hyh</u> |
| 50. brgltd |
| 51. bobirichman |
| 52. <u>seyni</u> |
| 53. ladboy233 |
| 54. <u>fatherOfBlocks</u> |
| 55. <u>prasantgupta52</u> |
| 56. <u>ret2basic</u> |
| 57. <u>Tomo</u> |
| 58. <u>durianSausage</u> |
| 59. LeoS |
| 60. sryysryy |
| 61. simon135 |
| 62. GimelSec (<u>rayn</u> and sces60107) |
| 63. <u>catchup</u> |
| 64. Waze |
| 65. delfin454000 |
| 66. Guardian |
| 67. d3e4 |

68. lukris02 69. Oxbepresent 70. <u>Certoralnc</u> (egjlmn1, <u>OriDabush</u>, ItayG, shakedwinder, and RoiEvenHaim) 71. pauliax 72. Rohan16 73. rvierdiiev 74. 0x040 75. **rfa** 76. Dimitar Dimitrov 77. <u>Ruhum</u> 78. sach1r0 79. djxploit 80. RaymondFam 81. _Adam 82. **Chom** 83. SooYa 84. Bjorn_bug 85. R2 86. tnevler 87. mrpathfindr 88. <u>natzuu</u> 89. DevABDee 90. Saintcode_ 91. rokinot 92. Noah3o6 93. wagmi 94. auditor 0517 95. Jeiwan

96. xiaoming90

97. Obi 98. 0x1337 99. <u>rajatbeladiya</u> 100. sseefried 101. <u>exd0tpy</u> 102. OxRajeev 103. dipp 104. OxSky 105. asutorufos 106. Soosh 107. yixxas 108. tonisives 109. shenwilly 110. p_crypt0 111. zkhorse (karmacoma and horsefacts) 112. JansenC 113. Oxmatt 114. pashov 115. Haruxe 116. android69 117. <u>8olidity</u> 118. Trabajo_de_mates (Saintcode_ and tay054) 119. <u>z3s</u> 120. throttle 121. joestakey 122. martin 123. Junnon 124. ch0bu 125. samruna

- 126. jag 127. Shishigami 128. Ben 129. <u>ignacio</u> 130. SaharAP
 - 131. BipinSah
 - 132. bulej93
 - 133. lucacez
 - 134. exolorkistis
 - 135. zishansami
 - 136. **Tomio**
 - 137. Fitraldys
 - 138. medikko
 - 139. EthLedger
 - 140. <u>shrlftyy</u>
 - 141. rotcivegaf
 - 142. ak1
 - 143. karanctf
 - 144. shark
 - 145. OxcOffEE
 - 146. Amithuddar
 - 147. SerMyVillage
 - 148. 2997ms
 - 149. newforkOl
 - 150. RoiEvenHaim
 - 151. Polandia94
 - 152. tay054
 - 153. Yiko
 - 154. ACai

- 155. francoHacker156. Randyyy
- 157. Diraco
- 158. IgnacioB
- 159. peritoflores
- 160. <u>a12jmx</u>

This contest was judged by gzeon.

Final report assembled by itsmetechjay.

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Summary

The C4 analysis yielded an aggregated total of 4 unique vulnerabilities. Of these vulnerabilities, 1 received a risk rating in the category of HIGH severity and 3 received a risk rating in the category of MEDIUM severity.

Additionally, C4 analysis included 116 reports detailing issues with a risk rating of LOW severity or non-critical. There were also 126 reports recommending gas optimizations.

All of the issues presented here are linked back to their original finding.

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Scope

The code under review can be found within the <u>C4 Nouns DAO contest repository</u>, and is composed of 6 smart contracts written in the Solidity programming language and includes 2,412 lines of Solidity code.

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Severity Criteria

C4 assesses the severity of disclosed vulnerabilities according to a methodology based on OWASP standards.

Vulnerabilities are divided into three primary risk categories: high, medium, and low/non-critical.

High-level considerations for vulnerabilities span the following key areas when conducting assessments:

- Malicious Input Handling
- Escalation of privileges
- Arithmetic
- Gas use

Further information regarding the severity criteria referenced throughout the submission review process, please refer to the documentation provided on the C4 website.

∾ High Risk Findings (1)

[H-O1] ERC721Checkpointable: delegateBySig allows the user to vote to address O, which causes the user to permanently lose his vote and cannot transfer his NFT.

Submitted by cccz, also found by berndartmueller, bin2chen, csanuragjain, IEatBabyCarrots, jayphbee, KIntern_NA, Lambda, and zzzitron

In the ERC721Checkpointable contract, when the user votes with the delegate function, the delegatee will not be address 0.

```
function delegate(address delegatee) public {
   if (delegatee == address(0)) delegatee = msg.sender;
   return _delegate(msg.sender, delegatee);
}
```

However, there is no such restriction in the delegateBySig function, which allows the user to vote to address O.

```
function delegateBySig(
    address delegatee,
    uint256 nonce,
    uint256 expiry,
```

```
uint8 v,
bytes32 r,
bytes32 s
) public {
   bytes32 domainSeparator = keccak256(
        abi.encode(DOMAIN_TYPEHASH, keccak256(bytes(name()))
   );
   bytes32 structHash = keccak256(abi.encode(DELEGATION_TYFE)
   bytes32 digest = keccak256(abi.encodePacked('\x19\x01',
   address signatory = ecrecover(digest, v, r, s);
   require(signatory != address(0), 'ERC721Checkpointable::
   require(nonce == nonces[signatory]++, 'ERC721Checkpointable:
   require(block.timestamp <= expiry, 'ERC721Checkpointable:
   return _delegate(signatory, delegatee);
}</pre>
```

If user A votes to address O in the delegateBySig function, _delegates[A] will be address O, but the delegates function will return the address of user A and getCurrentVotes(A) will return O.

Later, if user A votes to another address or transfers NFT, the _moveDelegates function will fail due to overflow, which makes user A lose votes forever and cannot transfer NFT.

```
function _moveDelegates(
    address srcRep,
    address dstRep,
    uint96 amount
) internal {
    if (srcRep != dstRep && amount > 0) {
```

```
if (srcRep != address(0)) {
    uint32 srcRepNum = numCheckpoints[srcRep];
    uint96 srcRepOld = srcRepNum > 0 ? checkpoints[s
    uint96 srcRepNew = sub96(srcRepOld, amount, 'ERC
    _writeCheckpoint(srcRep, srcRepNum, srcRepOld, s
}
```

On the other hand, since the burn function also fails, this can also be used to prevent the NFT from being burned by the minter

```
function burn(uint256 nounId) public override onlyMinter {
    _burn(nounId);
    emit NounBurned(nounId);
}

...

function _burn(uint256 tokenId) internal virtual {
    address owner = ERC721.ownerOf(tokenId);

    _beforeTokenTransfer(owner, address(0), tokenId);

...

function _beforeTokenTransfer(
    address from,
    address to,
    uint256 tokenId
) internal override {
    super._beforeTokenTransfer(from, to, tokenId);

    /// @notice Differs from `_transferTokens()` to use `del _moveDelegates(delegates(from), delegates(to), 1);
}
```

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Proof of Concept

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ /ERC721Checkpointable.sol#L126-L144

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L88-L91

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L97-L106

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L197-L208

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Recommended Mitigation Steps

Consider requiring in the delegateBySig function that delegatee cannot be address 0.

```
function delegateBySig(
    address delegatee,
    uint256 nonce,
    uint256 expiry,
    uint8 v,
    bytes32 r,
    bytes32 s
) public {
+ require(delegatee != address(0));
```

eladmallel (Nouns DAO) confirmed and commented:

We agree this is a bug that has existed since Nouns launched, and plan to fix the bug with the suggested requirement that delegatee should not be address(0).

Worth noting that this fix will not have a positive effect on Nouns, as the token is already deployed and not upgradable.

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Medium Risk Findings (3)

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[M-O1] Voters can burn large amounts of Ether by submitting votes with long reason strings

Submitted by Respx

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L518-L524

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L533-L544

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L98

ত Vulnerability Details

Voters can burn large amounts of Ether by submitting votes with long reason strings

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L518-L524

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L533-L544

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L98

The only limits to how long a string argument to a function call can be is the block gas limit of the EVM, currently 30 million. It is therefore possible for a user to call NounsDAOLogicV2.castRefundableVoteWithReason() with a very, very long reason string. castRefundableVoteInternal() emits an event that includes reason on line 540, which is within the region of code covered by gas refunds (gas refunds are measured from startGas on line 538). Because of this, gas refunds will include the gas price of emitting this event, which could potentially be very large.

This issue is partially mitigated by the fact that the voter will still bear the cost of the massive calldata usage. NounsDAOLogicV2 covers this with a fixed value of REFUND_BASE_GAS (36000), but the real transaction overhead is far larger when submitting a reason string that is many thousands of characters in length.

Therefore, the voter ends up losing roughly as much as is drained from the NounsDAOLogicV2 contract by the refund. Nonetheless, I still think this is a valid high funding as the protocol will not want to rely purely on this economic protection. Some risk scenarios:

- 1. It is quite possible that calldata prices could decrease in future, perhaps as part of catering for rollups. This could make the attack suddenly far more viable.
- 2. A voter might have some motive to want to emit some arbitrary text as an Ethereum event, and simply exploit this system to do so.
- 3. A voter might want to maliciously drain the Ether, perhaps to damage the protocol's reputation.
- 4. As in 3, this could be achieved by emptying out the last funds in NounsDAOLogicV2 and so denying many other voters their voting refunds.

Tools Used

Hardhat testing

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Recommended Mitigation Steps

2 alternative ideas:

- 1. Move the emit VoteCast outside of the gas calculation region of the code and increase REFUND_BASE_GAS to cover an event with a reasonable length of string.
- 2. Change the type of reason to bytes and add a check to its length in castRefundableVoteWithReason(), reverting if it is too long.

ত Proof of Concept

The single vote in this test burns around 0.25 Ether from the <code>NounsDAOLogicV2</code> contract. This test runs slowly and is assuming a base fee of 500 gwei. Obviously if the base fee were higher, the gas burnt would also be higher. The numbers are printed out with a rather messy <code>console.log()</code> in the middle of the test output.

Apologies for the bad presentation, but on the bright side you can adjust the numbers and see different results.

```
diff --git a/hardhat.config.ts b/hardhat.config.ts
index 6d469b0..dc51148 100644
--- a/hardhat.config.ts
+++ b/hardhat.config.ts
@@ -34,7 +34,7 @@ const config: HardhatUserConfig = {
         : [process.env.WALLET PRIVATE KEY!].filter(Boolean),
     } ,
    hardhat: {
      initialBaseFeePerGas: 0,
     initialBaseFeePerGas: 500 000 000 000,
    } ,
   } ,
   etherscan: {
@@ -50,12 +50,12 @@ const config: HardhatUserConfig = {
   gasReporter: {
     enabled: !process.env.CI,
    currency: 'USD',
   gasPrice: 50,
gasPrice: 500,
    src: 'contracts',
    coinmarketcap: '7643dfc7-a58f-46af-8314-2db32bdd18ba',
  } ,
  mocha: {
- timeout: 60 000,
+ timeout: 600 000,
  } ,
 } ;
export default config;
diff --git a/test/governance/NounsDAO/V2/voteRefund.test.ts b/te
index d34ff4b..4c268a3 100644
--- a/test/governance/NounsDAO/V2/voteRefund.test.ts
+++ b/test/governance/NounsDAO/V2/voteRefundPOC.test.ts
@@ -162,6 +162,30 @@ describe('Vote Refund', () => {
   });
   describe('castRefundableVoteWithReason', () => {
     it("accepts excessively long reason strings", async () => {
+
       await fundGov();
+
      const balanceBefore = await user.getBalance();
```

```
+
       const govBalanceBefore = await ethers.provider.getBalance
+
       const tx = await gov
         .connect(user)
         .castRefundableVoteWithReason(1, 1, junkString(50 000),
+
           maxPriorityFeePerGas: MAX PRIORITY FEE CAP,
+
           gasLimit: 24000000,
+
         });
+
       const r = await tx.wait();
+
       const balanceDiff = balanceBefore.sub(await user.getBalar
+
       const govBalanceDiff = govBalanceBefore.sub(
+
         await ethers.provider.getBalance(gov.address)
+
       );
       const govBalanceAfter = await ethers.provider.getBalance
+
       console.log("USER BALANCE DIFF:", ethers.utils.formatEthe
+
       console.log(
+
         "GOV BALANCE DIFF:",
         ethers.utils.formatEther(govBalanceDiff)
+
       );
+
       console.log("TX COST:", ethers.utils.formatEther(await t>
+
+
+
    });
     it('refunds users with votes', async () => {
       await fundGov();
       const balanceBefore = await user.getBalance();
@@ -284,6 +308,15 @@ describe('Vote Refund', () => {}
     expect(refundEvent!.args!.refundAmount).to.be.closeTo(expec
   }
   function junkString(iterations: number = 100) {
     var x = "Ab Cd Ef Gh Ij ";
+
     const y = "Ab Cd Ef Gh Ij";
+
     for (var i = 0; i < iterations; i++) {
+
       x += y;
+
    return x;
+
+
+
   async function submitProposal(u: SignerWithAddress) {
     await gov
       .connect(u)
```

We acknowledge that a Noun holder can push the refund amount up with a long reason string. We think this is low risk since again this is capped by the number of proposals one can vote on, furthermore buying an expensive Noun just to perform this no-profit attack seems unlikely at the moment.

Having said that, we do plan to mitigate this concern by adding a cap on the gasUsed variable used in the refund calculation.

gzeoneth (judge) decreased severity to Medium

[M-O2] User A cannot cancel User B's proposal when User B's prior number of votes at relevant block is same as proposal threshold, which contradicts the fact that User B actually cannot create the proposal when the prior number of votes is same as proposal threshold

Submitted by rbserver

https://github.com/code-423n4/2022-08-nounsdao/blob/main/contracts/governance/NounsDAOLogicV2.sol#L184-L279

https://github.com/code-423n4/2022-08-nounsdao/blob/main/contracts/governance/NounsDAOLogicV2.sol#L346-L368

യ Impact

When User B calls the following propose function for creating a proposal, it checks that User B's prior number of votes at the relevant block is larger than the proposal threshold through executing nouns.getPriorVotes(msg.sender, block.number - 1) > temp.proposalThreshold. This means that User B cannot create the proposal when the prior number of votes and the proposal threshold are the same.

https://github.com/code-423n4/2022-08-nounsdao/blob/main/contracts/governance/NounsDAOLogicV2.sol#L184-L279

```
function propose(
    address[] memory targets,
```

```
uint256[] memory values,
    string[] memory signatures,
   bytes[] memory calldatas,
    string memory description
) public returns (uint256) {
   ProposalTemp memory temp;
    temp.totalSupply = nouns.totalSupply();
    temp.proposalThreshold = bps2Uint(proposalThresholdBPS,
    require(
        nouns.getPriorVotes(msg.sender, block.number - 1) >
        'NounsDAO::propose: proposer votes below proposal th
    );
    require (
        targets.length == values.length &&
            targets.length == signatures.length &&
            targets.length == calldatas.length,
        'NounsDAO::propose: proposal function information ar
    );
    require(targets.length != 0, 'NounsDAO::propose: must pr
    require(targets.length <= proposalMaxOperations, 'NounsI</pre>
    temp.latestProposalId = latestProposalIds[msg.sender];
    if (temp.latestProposalId != 0) {
        ProposalState proposersLatestProposalState = state(t
        require (
            proposersLatestProposalState != ProposalState.Ac
            'NounsDAO::propose: one live proposal per propos
        );
        require (
            proposersLatestProposalState != ProposalState.Pe
            'NounsDAO::propose: one live proposal per propos
        ) ;
    temp.startBlock = block.number + votingDelay;
    temp.endBlock = temp.startBlock + votingPeriod;
   proposalCount++;
   Proposal storage newProposal = proposals[proposalCount]
   newProposal.id = proposalCount;
   newProposal.proposer = msg.sender;
   newProposal.proposalThreshold = temp.proposalThreshold;
   newProposal.eta = 0;
```

```
newProposal.targets = targets;
newProposal.values = values;
newProposal.signatures = signatures;
newProposal.calldatas = calldatas;
newProposal.startBlock = temp.startBlock;
newProposal.endBlock = temp.endBlock;
newProposal.forVotes = 0;
newProposal.againstVotes = 0;
newProposal.abstainVotes = 0;
newProposal.canceled = false;
newProposal.executed = false;
newProposal.vetoed = false;
newProposal.totalSupply = temp.totalSupply;
newProposal.creationBlock = block.number;
latestProposalIds[newProposal.proposer] = newProposal.ic
/// @notice Maintains backwards compatibility with Gover
emit ProposalCreated(
    newProposal.id,
    msg.sender,
    targets,
    values,
    signatures,
    calldatas,
    newProposal.startBlock,
    newProposal.endBlock,
    description
) ;
/// @notice Updated event with `proposalThreshold` and `
/// @notice `minQuorumVotes` is always zero since V2 int
emit ProposalCreatedWithRequirements(
    newProposal.id,
    msg.sender,
    targets,
    values,
    signatures,
    calldatas,
    newProposal.startBlock,
    newProposal.endBlock,
    newProposal.proposalThreshold,
    minQuorumVotes(),
    description
);
```

```
return newProposal.id;
}
```

After User B's proposal is created, User A can call the following <code>cancel</code> function to cancel it. When calling <code>cancel</code>, it checks that User B's prior number of votes at the relevant block is less than the proposal threshold through executing

```
nouns.getPriorVotes (proposal.proposer, block.number - 1) < proposal.proposalThreshold. When User B's prior number of votes and the proposal threshold are the same, User A cannot cancel this proposal of User B. However, this contradicts the fact User B actually cannot create this proposal when the same condition holds true. In other words, if User B cannot create this proposal when the prior number of votes and the proposal threshold are the same, User A should be able to cancel User B's proposal under the same condition but it is not true. The functionality for canceling User B's proposal in this situation becomes unavailable for User A.
```

https://github.com/code-423n4/2022-08-nounsdao/blob/main/contracts/governance/NounsDAOLogicV2.sol#L346-L368

```
function cancel(uint256 proposalId) external {
    require (state (proposalId) != ProposalState.Executed, 'No
    Proposal storage proposal = proposals[proposalId];
    require(
        msg.sender == proposal.proposer ||
            nouns.getPriorVotes(proposal.proposer, block.num
        'NounsDAO::cancel: proposer above threshold'
    );
    proposal.canceled = true;
    for (uint256 i = 0; i < proposal.targets.length; i++) {</pre>
        timelock.cancelTransaction(
            proposal.targets[i],
            proposal.values[i],
            proposal.signatures[i],
            proposal.calldatas[i],
            proposal.eta
        ) ;
    emit ProposalCanceled(proposalId);
```

}

Proof of Concept

Please append the following test in the NounsDAOV2#inflationHandling describe block in

test\governance\NounsDAO\V2\inflationHandling.test.ts. This test should pass to demonstrate the described scenario.

```
it ("User A cannot cancel User B's proposal when User B's prior
 async() => {
 // account1 has 3 tokens at the beginning
 // account1 gains 2 more to own 5 tokens in total
 await token.transferFrom(deployer.address, account1.address,
 await token.transferFrom(deployer.address, account1.address,
  await mineBlock();
  // account1 cannot create a proposal when owning 5 tokens ir
 await expect(
   gov.connect(account1).propose(targets, values, signatures,
  ).to.be.revertedWith('NounsDAO::propose: proposer votes below
  // account1 gains 1 more to own 6 tokens in total
  await token.transferFrom(deployer.address, account1.address,
 await mineBlock();
  // account1 can create a proposal when owning 6 tokens in to
  await gov.connect(account1).propose(targets, values, signatu
  const proposalId = await gov.latestProposalIds(account1.addr
  expect(await gov.state(proposalId)).to.equal(0);
  // other user cannot cancel account1's proposal at this mome
  await expect(
   gov.cancel(proposalId, {gasLimit: 1e6})
  ).to.be.revertedWith('NounsDAO::cancel: proposer above thres
  // account1 removes 1 token to own 5 tokens in total
  await token.connect(account1).transferFrom(account1.address,
 await mineBlock();
```

```
// other user still cannot cancel account1's proposal when a
// this contradicts the fact that account1 cannot create a g
await expect(
   gov.cancel(proposalId, {gasLimit: 1e6})
).to.be.revertedWith('NounsDAO::cancel: proposer above thres

// account1 removes another token to own 4 tokens in total
await token.connect(account1).transferFrom(account1.address,

await mineBlock();

// other user can now cancel account1's proposal when accour
await gov.cancel(proposalId, {gasLimit: 1e6})
expect(await gov.state(proposalId)).to.equal(2);
});
```

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Tools Used

VSCode

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Recommended Mitigation Steps

https://github.com/code-423n4/2022-08-

nounsdao/blob/main/contracts/governance/NounsDAOLogicV2.sol#L197-L200 can be changed to the following code.

```
require(
    nouns.getPriorVotes(msg.sender, block.number - 1) >=
    'NounsDAO::propose: proposer votes below proposal th');
```

or

https://github.com/code-423n4/2022-08-nounsdao/blob/main/contracts/governance/NounsDAOLogicV2.sol#L350-L354 can be changed to the following code.

```
require(
   msg.sender == proposal.proposer ||
    nouns.getPriorVotes(proposal.proposer, block.num
```

```
'NounsDAO::cancel: proposer above threshold');
```

but not both.

eladmallel (Nouns DAO) confirmed and commented:

We agree that the case of prior votes equal to proposalThreshold is missed, and plan to include that state in what is cancelable.

ശ

[M-O3] Loss of Veto Power can Lead to 51% Attack

Submitted by TomJ, also found by OxDjango, OxSmartContract, Aymen0909, Ch_301, and Deivitto

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L156

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L150

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L839-L845

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L637-L643

യ Impact

The veto power is import functionality for current NounsDAO in order to protect their treasury from malicious proposals. However there is lack of zero address check and lack of 2 step address changing process for vetoer address. This might lead to Nounders losing their veto power unintentionally and open to 51% attack which can drain their entire treasury.

Refrence from Nouns DAO contest documents: https://dialectic.ch/editorial/nouns-governance-attack-2

ত Proof of Concept

Lack of O-address check for vetoer address at initialize() and _setVetoer() of NounsDAOLogicV2.sol and NounsDAOLogicV1.sol. Also it is better to make changing address process of vetoer at _setVetoer() into 2-step process to avoid accidently setting vetoer to zero address or any other arbitrary addresses and end up burning/losing veto power unintentionally.

Vetoer address of initialize() of NounsDAOLogicV2.sol,
 NounsDAOLogicV1.sol

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L156

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L150

2. Vetoer address of _setVetoer() of NounsDAOLogicV2.sol, NounsDAOLogicV1.sol

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L839-L845

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L637-L643

ত Recommended Mitigation Steps

Add zero address check for vetoer address at initialize(). Also change _setVetoer() vetoer address changing process to 2-step process like explained below.

First make the _setVetoer() function approve a new vetoer address as a pending vetoer. Next that pending vetoer has to claim the ownership in a separate transaction to be a new vetoer.

eladmallel (Nouns DAO) confirmed and commented:

We agree it's worth being extra safe here, planning to change it to a 2-step process.

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Low Risk and Non-Critical Issues

For this contest, 116 reports were submitted by wardens detailing low risk and non-critical issues. The <u>report highlighted below</u> by **IIIIIII** received the top score from the judge.

The following wardens also submitted reports: OxNazgul, Deivitto, mics, CodingNameKiki, JC, OxSmartContract, Lambda, Rolezn, rbserver, Dravee, BnkeOxO, Ox1f8b, _141345_, OxNineDec, OxDjango, Ch_3O1, auditorO517, Funen, GalloDaSballo, gogo, oyc_109, carlitox477, bobirichman, sikorico, ElKu, seyni, robee, saian, Aymen0909, c3phas, Olivierdem, hyh, brgltd, durianSausage, LeoS, Jeiwan, ladboy233, xiaoming90, simon135, sryysryy, GimelSec, catchup, cccz, Waze, berndartmueller, ajtra, delfin454000, Guardian, d3e4, lukris02, csanuragjain, Obi, ReyAdmirado, fatherOfBlocks, Ox1337, djxploit, Bjorn_bug, pfapostol, Oxbepresent, RaymondFam, rajatbeladiya, zzzitron, cRat1stOs, Certoralnc, _Adam, sseefried, Sm4rty, exdOtpy, KIntern_NA, OxRajeev, Chom, JohnSmith, dipp, pauliax, R2, Rohan16, OxSky, TomJ, SooYa, tnevler, asutorufos, mrpathfindr, Soosh, yixxas, rvierdiiev, tonisives, 0x040, prasantgupta52, ret2basic, shenwilly, p_crypt0, natzuu, zkhorse, JansenC, Oxmatt, rfa, wagmi, pashov, erictee, DimitarDimitrov, DevABDee, Haruxe, Saintcode_, android69, rokinot, 8olidity, Trabajo_de_mates, Ruhum, z3s, Oxkatana, throttle, sach1rO, Noah3o6, Respx, and Tomo.

 $^{\circ}$

Low Risk Issues

| | Issue | Instanc es |
|------------|--|---------------|
| [L-O1 | Nouns will not be able to be transferred once the block.number passes type(uint32).max | 2 |
| [L-O 2] | Unused/empty receive() / fallback() function | 1 |
| [L-O 3] | Missing checks for address (0x0) when assigning values to address state variables | 5 |

Total: 8 instances over 3 issues

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[L-O1] Nouns will not be able to be transferred once the block.number passes type (uint32).max

While this currently equates to ~1260 years, if there's a hard fork which makes block times much more frequent (e.g. to compete with Solana), then this limit may be reached much faster than expected, and transfers and delegations will remain stuck at their existing settings

There are 2 instances of this issue:

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L238-L241

```
File: /contracts/governance/NounsDAOLogicV2.sol

923: uint32 blockNumber = safe32(blockNumber, 'NounsDAC
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L923

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```
[L-O2] Unused/empty receive() / fallback() function
```

If the intention is for the Ether to be used, the function should call another function, otherwise it should revert (e.g. require (msg.sender == address (weth))). Having no access control on the function means that someone may send Ether to the contract, and have no way to get anything back out, which is a loss of funds

There is 1 instance of this issue:

```
File: contracts/governance/NounsDAOLogicV2.sol
1030: receive() external payable {}
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L1030

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[L-03] Missing checks for address (0x0) when assigning values to address state variables

There are 5 instances of this issue:

```
File: contracts/governance/NounsDAOLogicV1.sol

605: pendingAdmin = newPendingAdmin;

642: vetoer = newVetoer;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L605

```
File: contracts/governance/NounsDAOLogicV2.sol

807: pendingAdmin = newPendingAdmin;

844: vetoer = newVetoer;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L807

```
File: contracts/governance/NounsDAOProxy.sol
71: admin = admin_;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOProxy.sol#L71

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Non-Critical Issues

| | Issue | Instan ces |
|------------|--|---------------|
| [N-O 1] | public functions not called by the contract should be declared external instead | 8 |
| [N-O 2] | Non-assembly method available | 3 |
| [N-O 3] | 2** <n> - 1 should be re-written as type(uint<n>).max</n></n> | 2 |
| [N-O 4] | constant s should be defined rather than using magic numbers | 8 |
| [N-O 5] | Use a more recent version of solidity | 3 |
| [N-O 6] | Expressions for constant values such as a call to keccak256(), should use immutable rather than constant | 6 |
| [N-O 7] | Constant redefined elsewhere | 11 |
| | | 1 |

| | Issue | Instan ces |
|------------|---|---------------|
| [N-O 8] | Lines are too long | 7 |
| [N-O 9] | Non-library/interface files should use fixed compiler versions, not floating ones | 4 |
| [N-1 O] | Event is missing indexed fields | 21 |
| [N-11] | Not using the named return variables anywhere in the function is confusing | 8 |
| [N-12] | Typos | 4 |

Total: 85 instances over 12 issues

ക

[N-O1] public functions not called by the contract should be declared external instead

Contracts <u>are allowed</u> to override their parents' functions and change the visibility from external to public.

There are 8 instances of this issue:

```
File: contracts/governance/NounsDAOLogicV1.sol
174
          function propose(
              address[] memory targets,
175
176
              uint256[] memory values,
177
              string[] memory signatures,
              bytes[] memory calldatas,
178
179
              string memory description
          ) public returns (uint256) {
180:
          function burnVetoPower() public {
649
650
              // Check caller is pendingAdmin and pendingAdmin 7
              require(msg.sender == vetoer, 'NounsDAO:: burnVeto
651:
660:
          function proposalThreshold() public view returns (uint
```

```
668: function quorumVotes() public view returns (uint256) {
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L174-L180

```
File: contracts/governance/NounsDAOLogicV2.sol
184
          function propose(
185
              address[] memory targets,
              uint256[] memory values,
186
              string[] memory signatures,
187
              bytes[] memory calldatas,
188
              string memory description
189
          ) public returns (uint256) {
190:
851
          function burnVetoPower() public {
              // Check caller is pendingAdmin and pendingAdmin 7
852
              require(msg.sender == vetoer, 'NounsDAO:: burnVeto
853:
862:
          function proposalThreshold() public view returns (uint
1002:
          function maxQuorumVotes() public view returns (uint25(
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L184-L190

® [N-O2] Non-assembly method available

```
assembly{ id := chainid() } => uint256 id = block.chainid, assembly {
size := extcodesize() } => uint256 size = address().code.length There
are some automated tools that will flag a project as having higher complexity if there
is inline-assembly, so it's best to avoid using it where it's not necessary
```

There are 3 instances of this issue:

```
285: chainId := chainid()
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L285

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L679

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L1013

```
[N-O3] 2**<n> - 1 should be re-written as type (uint<n>) .max
```

Earlier versions of solidity can use uint<n>(-1) instead. Expressions not including the - 1 can often be re-written to accomodate the change (e.g. by using a > rather than a >= , which will also save some gas)

There are 2 instances of this issue:

```
File: contracts/base/ERC721Checkpointable.sol
254: require(n < 2**32, errorMessage);</pre>
```

```
259: require(n < 2**96, errorMessage);
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L254

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[N-04] constant s should be defined rather than using magic numbers

Even <u>assembly</u> can benefit from using readable constants instead of hex/numeric literals

There are 8 instances of this issue:

```
File: contracts/base/ERC721Checkpointable.sol

/// @audit 32
254: require(n < 2**32, errorMessage);

/// @audit 96
259: require(n < 2**96, errorMessage);</pre>
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ /ERC721Checkpointable.sol#L254

```
File: contracts/governance/NounsDAOLogicV1.sol

/// @audit 10000

673: return (number * bps) / 10000;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L673

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L908

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOProxy.sol#L98

 $^{\circ}$

[N-05] Use a more recent version of solidity

Use a solidity version of at least 0.8.12 to get string.concat() to be used instead of abi.encodePacked(<str>, <str>)

There are 3 instances of this issue:

```
File: contracts/base/ERC721Checkpointable.sol 35: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base

/ERC721Checkpointable.sol#L35

```
File: contracts/governance/NounsDAOLogicV1.sol

61: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L61

```
File: contracts/governance/NounsDAOLogicV2.sol
53: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L53

[N-O6] Expressions for constant values such as a call to keccak256(), should use immutable rather than constant

While it doesn't save any gas because the compiler knows that developers often make this mistake, it's still best to use the right tool for the task at hand. There is a difference between <code>constant</code> variables and <code>immutable</code> variables, and they should each be used in their appropriate contexts. <code>constants</code> should be used for literal values written into the code, and <code>immutable</code> variables should be used for expressions, or values calculated in, or passed into the constructor.

There are 6 instances of this issue:

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ /ERC721Checkpointable.sol#L59-L60

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L97-L98

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L101-L102

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[N-07] Constant redefined elsewhere

Consider defining in only one contract so that values cannot become out of sync when only one location is updated. A <u>cheap way</u> to store constants in a single location is to create an <u>internal constant</u> in a <u>library</u>. If the variable is a local cache of another contract's value, consider making the cache variable internal or private, which will require external users to query the contract with the source of truth, so that callers don't get out of sync.

```
File: contracts/governance/NounsDAOLogicV2.sol
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
59:
          string public constant name = 'Nouns DAO';
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
         uint256 public constant MIN PROPOSAL THRESHOLD BPS = 1
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
         uint256 public constant MAX PROPOSAL THRESHOLD BPS = 1
65:
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
         uint256 public constant MIN VOTING PERIOD = 5 760; //
68:
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
71:
         uint256 public constant MAX VOTING PERIOD = 80 640; //
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
          uint256 public constant MIN VOTING DELAY = 1;
74:
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
77:
          uint256 public constant MAX VOTING DELAY = 40 320; //
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
89:
         uint256 public constant MAX QUORUM VOTES BPS = 2 000;
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
92:
         uint256 public constant proposalMaxOperations = 10; //
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
101
         bytes32 public constant DOMAIN TYPEHASH =
              keccak256('EIP712Domain(string name, uint256 chain]
102:
/// @audit seen in contracts/governance/NounsDAOLogicV1.sol
105:
         bytes32 public constant BALLOT TYPEHASH = keccak256('E
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L59

[N-08] Lines are too long

Usually lines in source code are limited to <u>80</u> characters. Today's screens are much larger so it's reasonable to stretch this in some cases. Since the files will most likely reside in GitHub, and GitHub starts using a scroll bar in all cases when the length is over <u>164</u> characters, the lines below should be split when they reach that length

There are 7 instances of this issue:

```
File: contracts/governance/NounsDAOInterfaces.sol

156: /// @notice The basis point number of votes in support

181: /// @notice The number of votes in support of a pr

256: /// @notice The basis point number of votes in support

281: /// @notice The number of votes in support of a pr

375: /// @notice The minimum number of votes in support
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOInterfaces.sol#L156

```
File: contracts/governance/NounsDAOLogicV1.sol

507: /// @notice: Unlike GovernerBravo, votes are consi
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L507

```
File: contracts/governance/NounsDAOLogicV2.sol

599: /// @notice: Unlike GovernerBravo, votes are consi
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L599

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[N-09] Non-library/interface files should use fixed compiler versions, not floating ones

There are 4 instances of this issue:

```
File: contracts/governance/NounsDAOInterfaces.sol
33: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOInterfaces.sol#L33

```
File: contracts/governance/NounsDAOLogicV1.sol
61: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L61

```
File: contracts/governance/NounsDAOLogicV2.sol
53: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L53

File: contracts/governance/NounsDAOProxy.sol

```
36: pragma solidity ^0.8.6;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOProxy.sol#L36

G)

[N-10] Event is missing indexed fields

Index event fields make the field more quickly accessible to off-chain tools that parse events. However, note that each index field costs extra gas during emission, so it's not necessarily best to index the maximum allowed per event (three fields). Each event should use three indexed fields if there are three or more fields, and gas usage is not particularly of concern for the events in question. If there are fewer than three fields, all of the fields should be indexed.

There are 21 instances of this issue:

```
File: contracts/base/ERC721Checkpointable.sol

73: event DelegateVotesChanged(address indexed delegate, i
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L73

```
File: contracts/governance/NounsDAOInterfaces.sol
```

```
37
          event ProposalCreated(
               uint256 id,
38
39
               address proposer,
               address[] targets,
40
41
               uint256[] values,
42
               string[] signatures,
               bytes[] calldatas,
43
44
               uint256 startBlock,
               uint256 endBlock,
45
               string description
46
47:
          );
```

```
50
          event ProposalCreatedWithRequirements(
51
              uint256 id,
52
              address proposer,
53
              address[] targets,
              uint256[] values,
54
55
              string[] signatures,
56
              bytes[] calldatas,
57
              uint256 startBlock,
58
              uint256 endBlock,
59
              uint256 proposalThreshold,
60
              uint256 quorumVotes,
61
              string description
62:
          ) ;
70:
          event VoteCast (address indexed voter, uint256 proposal
73:
          event ProposalCanceled(uint256 id);
76:
          event ProposalQueued (uint256 id, uint256 eta);
          event ProposalExecuted(uint256 id);
79:
82:
          event ProposalVetoed (uint256 id);
85:
          event VotingDelaySet (uint256 oldVotingDelay, uint256 r
          event VotingPeriodSet(uint256 oldVotingPeriod, uint256
88:
91:
          event NewImplementation (address oldImplementation, add
94:
          event ProposalThresholdBPSSet (uint256 oldProposalThres
97:
          event QuorumVotesBPSSet (uint256 oldQuorumVotesBPS, uir
100:
          event NewPendingAdmin (address oldPendingAdmin, address
103:
          event NewAdmin (address oldAdmin, address newAdmin);
          event NewVetoer (address oldVetoer, address newVetoer);
106:
111:
         event MinQuorumVotesBPSSet(uint16 oldMinQuorumVotesBPS
114:
          event MaxQuorumVotesBPSSet(uint16 oldMaxQuorumVotesBPS
117:
          event QuorumCoefficientSet(uint32 oldQuorumCoefficient
```

```
120: event RefundableVote(address indexed voter, uint256 re

123: event Withdraw(uint256 amount, bool sent);
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOInterfaces.sol#L37-L47

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[N-11] Not using the named return variables anywhere in the function is confusing

Consider changing the variable to be an unnamed one

There are 8 instances of this issue:

```
File: contracts/governance/NounsDAOLogicV1.sol
/// @audit targets
/// @audit values
/// @audit signatures
/// @audit calldatas
392
          function getActions(uint256 proposalId)
393
              external
              view
394
              returns (
395
396
                  address[] memory targets,
397
                  uint256[] memory values,
                  string[] memory signatures,
398
399:
                  bytes[] memory calldatas
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L392-L399

```
File: contracts/governance/NounsDAOLogicV2.sol
/// @audit targets
/// @audit values
/// @audit signatures
```

```
/// @audit calldatas
403
          function getActions(uint256 proposalId)
              external
404
405
              view
406
              returns (
407
                  address[] memory targets,
408
                  uint256[] memory values,
                  string[] memory signatures,
409
                  bytes[] memory calldatas
410:
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L403-L410

® [N-12] Typos

There are 4 instances of this issue:

```
File: /contracts/governance/NounsDAOLogicV1.sol

/// @audit contructor

104: * @notice Used to initialize the contract during delec

/// @audit priviledges

646: * @notice Burns veto priviledges
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV1.sol#L104

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L115

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Gas Optimizations

For this contest, 126 reports were submitted by wardens detailing gas optimizations. The <u>report highlighted below</u> by IIIIIII received the top score from the judge.

The following wardens also submitted reports: JohnSmith, m_Rassska, Dravee, OxDjango, Ox1f8b, cRat1st0s, OxSmartContract, Aymen0909, oyc_109, ReyAdmirado, BnkeOxO, pfapostol, Rolezn, robee, joestakey, TomJ, erictee, mics, ajtra, Oxkatana, ElKu, martin, Sm4rty, Junnon, Deivitto, ch0bu, c3phas, fatherOfBlocks, ladboy233, sikorico, Olivierdem, Tomo, OxNazgul, ret2basic, <u>_141345_</u>, <u>prasantgupta52</u>, <u>gogo</u>, <u>GalloDaSballo</u>, <u>JC</u>, <u>rbserver</u>, <u>durianSausage</u>, DimitarDimitrov, samruna, LeoS, jag, carlitox477, Ruhum, Shishigami, Oxbepresent, Ben, ignacio, SaharAP, OxO4O, sach1rO, BipinSah, bulej93, lucacez, Certoralne, sryysryy, rvierdiiev, exolorkistis, zishansami, saian, Tomio, Rohanlo, rfa, Fitraldys, hyh, pauliax, brgltd, natzuu, Chom, medikko, lukrisO2, delfin454000, d3e4, EthLedger, DevABDee, Saintcode_, Lambda, djxploit, rokinot, shr1ftyy, CodingNameKiki, mrpathfindr, Noah3o6, rotcivegaf, ak1, Respx, simon135, RaymondFam, karanctf, _Adam, shark, GimelSec, catchup, OxcOffEE, Waze, OxNineDec, KIntern_NA, SooYa, Guardian, Ch_301, Amithuddar, SerMyVillage, 2997ms, newforkO1, RoiEvenHaim, Polandia94, tayO54, Yiko, Bjorn_bug, bobirichman, ACai, seyni, francoHacker, Randyyy, R2, Diraco, Funen, IgnacioB, tnevler, wagmi, peritoflores, and a12jmx.

್ರ Summary

| | Issue | Insta nces |
|------------|--|---------------|
| [G- 01] | State checks unnecessarily re-fetch Proposal s | 5 |
| [G- 02] | Multiple address /ID mappings can be combined into a single mapping of an address /ID to a struct, where appropriate | 1 |
| [G- 03] | Structs can be packed into fewer storage slots | 3 |

| | Issue | Insta nces |
|------------|---|---------------|
| [G- 04] | Using calldata instead of memory for read-only arguments in external functions saves gas | 10 |
| [G- 05] | Using storage instead of memory for structs/arrays saves gas | 1 |
| [G- 06] | State variables should be cached in stack variables rather than re-reading them from storage | 11 |
| [G- 07] | Multiple accesses of a mapping/array should use a local variable cache | 2 |
| [G- 08] | internal functions only called once can be inlined to save gas | 7 |
| [G- 09] | Add unchecked {} for subtractions where the operands cannot underflow because of a previous require() or if -statement | 1 |
| [G-1 0] | <array>.length should not be looked up in every loop of a for -loop</array> | 8 |
| [G-1 1] | ++i / i++ should be unchecked{++i} / unchecked{i++} when it is not possible for them to overflow, as is the case when used in for - and while - loops | 8 |
| [G-1 2] | require() / revert() strings longer than 32 bytes cost extra gas | 86 |
| [G-1 3] | Optimize names to save gas | 5 |
| [G-1 4] | Use a more recent version of solidity | 1 |
| [G-1 5] | ++i costs less gas than i++, especially when it's used in for -loops (i/i- too) | 10 |
| [G-1 6] | Splitting require() statements that use && saves gas | 19 |
| [G-1 7] | Usage of uints / ints smaller than 32 bytes (256 bits) incurs overhead | 1 |
| [G-1 8] | Using private rather than public for constants, saves gas | 31 |
| [G-1 9] | Don't compare boolean expressions to boolean literals | 2 |
| [G- 20] | Division by two should use bit shifting | 2 |

| | Issue | Insta nces |
|------------|--|---------------|
| [G- 21] | require() or revert() statements that check input arguments should be at the top of the function | 3 |
| [G- 22] | Empty blocks should be removed or emit something | 1 |
| [G- 23] | Use custom errors rather than revert() / require() strings to save gas | 95 |

Total: 313 instances over 23 issues

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[G-O1] State checks unnecessarily re-fetch Proposal s

Every call to state() fetches the Proposal storage variable, which is fetched again immediately afterwards by the caller. If instead there were a version of state() that took in a Proposal storage variable, the proposal could be fetched only once, saving the gas of the mapping lookup

There are 5 instances of this issue. (For in-depth details on this and all further gas optimizations with multiple instances, please see the warden's full report.)

[G-O2] Multiple address /ID mappings can be combined into a single mapping of an address /ID to a struct, where appropriate

Saves a storage slot for the mapping. Depending on the circumstances and sizes of types, can avoid a Gsset (20000 gas) per mapping combined. Reads and subsequent writes can also be cheaper when a function requires both values and they both fit in the same storage slot. Finally, if both fields are accessed in the same function, can save ~42 gas per access due to not having to recalculate the key's keccak256 hash (Gkeccak256 - 30 gas) and that calculation's associated stack operations.

There is 1 instance of this issue:

```
mapping (address => mapping (uint32 => Checkpoint)) publ

/// @notice The number of checkpoints for each account

mapping (address => uint32) public numCheckpoints;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L53-L56

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[G-03] Structs can be packed into fewer storage slots

Each slot saved can avoid an extra Gsset (20000 gas) for the first setting of the struct. Subsequent reads as well as writes have smaller gas savings

There are 3 instances of this issue.

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[G-O4] Using calldata instead of memory for read-only arguments in external functions saves gas

When a function with a memory array is called externally, the abi.decode() step has to use a for-loop to copy each index of the calldata to the memory index.

Each iteration of this for-loop costs at least 60 gas (i.e. 60 *

<mem_array>.length). Using calldata directly, obliviates the need for such a loop
in the contract code and runtime execution. Note that even if an interface defines a
function as having memory arguments, it's still valid for implementation contracs to
use calldata arguments instead.

If the array is passed to an internal function which passes the array to another internal function where the array is modified and therefore memory is used in the external call, it's still more gass-efficient to use calldata when the external function uses modifiers, since the modifiers may prevent the internal functions from being called. Structs have the same overhead as an array of length one

Note that I've also flagged instances where the function is <code>public</code> but can be marked as <code>external</code> since it's not called by the contract, and cases where a constructor is involved

There are 10 instances of this issue.

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[G-O5] Using storage instead of memory for structs/arrays saves gas

When fetching data from a storage location, assigning the data to a <code>memory</code> variable causes all fields of the struct/array to be read from storage, which incurs a Gcoldsload (2100 gas) for <code>each</code> field of the struct/array. If the fields are read from the new memory variable, they incur an additional <code>MLOAD</code> rather than a cheap stack read. Instead of declearing the variable with the <code>memory</code> keyword, declaring the variable with the <code>storage</code> keyword and caching any fields that need to be re-read in stack variables, will be much cheaper, only incuring the Gcoldsload for the fields actually read. The only time it makes sense to read the whole struct/array into a <code>memory</code> variable, is if the full struct/array is being returned by the function, is being passed to a function that requires <code>memory</code>, or if the array/struct is being read from another <code>memory</code> array/struct

There is 1 instance of this issue:

File: contracts/governance/NounsDAOLogicV2.sol

952: DynamicQuorumParamsCheckpoint memory cp = quor

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L952

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[G-06] State variables should be cached in stack variables rather than re-reading them from storage

The instances below point to the second+ access of a state variable within a function. Caching of a state variable replace each Gwarmaccess (100 gas) with a much cheaper stack read. Other less obvious fixes/optimizations include having local memory caches of state variable structs, or having local caches of state variable contracts/addresses.

There are 11 instances of this issue.

[G-07] Multiple accesses of a mapping/array should use a local variable cache

The instances below point to the second+ access of a value inside a mapping/array, within a function. Caching a mapping's value in a local storage or calldata variable when the value is accessed multiple times, saves ~42 gas per access due to not having to recalculate the key's keccak256 hash (Gkeccak256 - 30 gas) and that calculation's associated stack operations. Caching an array's struct avoids recalculating the array offsets into memory/calldata

There are 2 instances of this issue.

[G-08] internal functions only called once can be inlined to save gas

Not inlining costs **20 to 40 gas** because of two extra JUMP instructions and additional stack operations needed for function calls.

There are 7 instances of this issue.

```
[G-09] Add unchecked {} for subtractions where the operands cannot underflow because of a previous require() or if -statement

require(a <= b); x = b - a => require(a <= b); unchecked { x = b - a }
```

There is 1 instance of this issue:

```
File: contracts/base/ERC721Checkpointable.sol
/// @audit require() on line 278
279: return a - b;
```

https://github.com/code-423n4/2022-08nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base

/ERC721Checkpointable.sol#L279

[G-10] <array>.length should not be looked up in every loop of a for -loop

The overheads outlined below are PER LOOP, excluding the first loop

- storage arrays incur a Gwarmaccess (100 gas)
- memory arrays use MLOAD (3 gas)
- calldata arrays use CALLDATALOAD (3 gas)

Caching the length changes each of these to a DUP<N> (3 gas), and gets rid of the extra DUP<N> needed to store the stack offset

There are 8 instances of this issue.

[G-11] ++i / i++ should be unchecked{++i} / unchecked{i++} when it is not possible for them to overflow, as is the case when used in for - and while -loops

The unchecked keyword is new in solidity version 0.8.0, so this only applies to that version or higher, which these instances are. This saves 30-40 gas per loop

There are 8 instances of this issue.

[G-12] require() / revert() strings longer than 32 bytes cost extra gas

Each extra memory word of bytes past the original 32 <u>incurs an MSTORE</u> which costs **3 gas**

There are 86 instances of this issue.

© [G-13] Optimize names to save gas

public / external function names and public member variable names can be optimized to save gas. See this link for an example of how it works. Below are the interfaces/abstract contracts that can be optimized so that the most frequently-called functions use the least amount of gas possible during method lookup. Method IDs that have two leading zero bytes can save 128 gas each during deployment, and renaming functions to have lower method IDs will save 22 gas per call, per sorted position shifted

There are 5 instances of this issue.

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[G-14] Use a more recent version of solidity

Use a solidity version of at least 0.8.2 to get simple compiler automatic inlining Use a solidity version of at least 0.8.3 to get better struct packing and cheaper multiple storage reads Use a solidity version of at least 0.8.4 to get custom errors, which are cheaper at deployment than <code>revert()/require()</code> strings Use a solidity version of at least 0.8.10 to have external calls skip contract existence checks if the external call has a return value

There is 1 instance of this issue:

```
File: contracts/base/ERC721Enumerable.sol
28: pragma solidity ^0.8.0;
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Enumerable.sol#L28

```
[G-15] ++i costs less gas than i++, especially when it's used in for -loops (--i/i-- too)
```

Saves 5 gas per loop

There are 10 instances of this issue.

[G-16] Splitting require() statements that use && saves gas

See <u>this issue</u> which describes the fact that there is a larger deployment gas cost, but with enough runtime calls, the change ends up being cheaper by **3 gas**

There are 19 instances of this issue.

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[G-17] Usage of uints / ints smaller than 32 bytes (256 bits) incurs overhead

When using elements that are smaller than 32 bytes, your contract's gas usage may be higher. This is because the EVM operates on 32 bytes at a time. Therefore, if the element is smaller than that, the EVM must use more operations in order to reduce the size of the element from 32 bytes to the desired size.

https://docs.soliditylang.org/en/vO.8.11/internals/layout_in_storage.html Each operation involving a uint8 costs an extra 22-28 gas (depending on whether the other operand is also a variable of type uint8) as compared to ones involving uint256, due to the compiler having to clear the higher bits of the memory word before operating on the uint8, as well as the associated stack operations of doing so. Use a larger size then downcast where needed

There is 1 instance of this issue:

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/base/ERC721Checkpointable.sol#L191

© [G-18] Using private rather than public for constants, saves gas

If needed, the values can be read from the verified contract source code, or if there are multiple values there can be a single getter function that <u>returns a tuple</u> of the values of all currently-public constants. Saves **3406-3606** gas in deployment gas due to the compiler not having to create non-payable getter functions for deployment calldata, not having to store the bytes of the value outside of where it's used, and not adding another entry to the method ID table

There are 31 instances of this issue.

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[G-19] Don't compare boolean expressions to boolean literals

```
if (<x> == true) => if (<x>), if (<x> == false) => if (!<x>)
```

There are 2 instances of this issue.

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[G-20] Division by two should use bit shifting

<x> / 2 is the same as <x> >> 1 . While the compiler uses the SHR opcode to accomplish both, the version that uses division incurs an overhead of <u>20 gas</u> due to JUMP s to and from a compiler utility function that introduces checks which can be avoided by using unchecked {} around the division by two

There are 2 instances of this issue.

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[G-21] require() or revert() statements that check input arguments should be at the top of the function

Checks that involve constants should come before checks that involve state variables, function calls, and calculations. By doing these checks first, the function is able to revert before wasting a Gooldsload (2100 gas*) in a function that may ultimately revert in the unhappy case.

There are 3 instances of this issue.

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[G-22] Empty blocks should be removed or emit something

The code should be refactored such that they no longer exist, or the block should do something useful, such as emitting an event or reverting. If the contract is meant to

be extended, the contract should be <code>abstract</code> and the function signatures be added without any default implementation. If the block is an empty <code>if</code> -statement block to avoid doing subsequent checks in the else-if/else conditions, the else-if/else conditions should be nested under the negation of the if-statement, because they involve different classes of checks, which may lead to the introduction of errors when the code is later modified (<code>if(x){}else if(y){...}else{...} => if(!x) {if(y){...}else{...}}). Empty receive() / fallback() payable functions that are not used, can be removed to save deployment gas.</code>

There is 1 instance of this issue:

```
File: contracts/governance/NounsDAOLogicV2.sol
1030: receive() external payable {}
```

https://github.com/code-423n4/2022-08-nounsdao/blob/45411325ec14c6d747b999a40367d3c5109b5a89/contracts/governance/NounsDAOLogicV2.sol#L1030

[G-23] Use custom errors rather than revert() / require() strings to save gas

Custom errors are available from solidity version 0.8.4. Custom errors save <u>~50 gas</u> each time they're hit by <u>avoiding having to allocate and store the revert string</u>. Not defining the strings also save deployment gas

There are 95 instances of this issue.

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Disclosures

C4 is an open organization governed by participants in the community.

C4 Contests incentivize the discovery of exploits, vulnerabilities, and bugs in smart contracts. Security researchers are rewarded at an increasing rate for finding higherrisk issues. Contest submissions are judged by a knowledgeable security researcher and solidity developer and disclosed to sponsoring developers. C4 does not conduct

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