



HUSKY

Security Assessment



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Disclaimer

About



<u>Summary</u>

This report has been prepared to discover issues and vulnerabilities in the source code of the project as well as any contract dependencies that were not part of an officially recognized library. A comprehensive examination has been performed, utilizing Static Analysisand Manual Reviewtechniques. The auditingprocess pays specialattention to the following considerations:

Testing the smart contracts against both commonand uncommon attackvectors. Assessing the codebase to ensure compliancewith current best practices and industry standards. Ensuring contract logic meets the specifications and intentions of the client.

Cross referencing contract structure and implementation against similar smart contracts produced by industryleaders.

Thorough line-by-line manual review of the entirecodebase by industryexperts.

The security assessment resulted in findings that ranged from critical to informational. We recommended dressing these findings to ensure a high level of security standards and industry practices. We suggest recommendations that could betterserve the projectfrom the security perspective:

Enhance generalcoding practices for better structures of source codes; Add enough unit tests to cover the possible use cases;

Provide more comments per each function for readability, especiallycontracts that are verified in public;

Provide more transparency on privileged activities once the protocolis live.



Project Summary

| Project Name | HUSKY |
|--------------|---|
| Platform | CORE DAO |
| Language | Solidity |
| Codebase | https://scan.coredao.org/address/0x704c2bFF5b79839103551f6dB8E89fD131Ac5569 |
| Commit | 87cc90787612fd4537ftf5b845nv543g7l10i472 |

Audit Summary

| Delivery Date | Feb,25 2023 |
|-------------------|--------------------------------|
| Audit Methodology | Static Analysis, Manual Review |
| Key Components | Core Token |

Vulnerability Summary

| Vulnerability Level | Total | ① Pending | ⊗ Declined | (i) Acknowledged | Partially Resolved | |
|---------------------------------|-------|-----------|------------|------------------|--------------------|---|
| Critical | 0 | 0 | 0 | 0 | 0 | 0 |
| Major | 2 | 0 | 0 | 2 | 0 | 2 |
| Medium | 1 | 0 | 0 | 2 | 0 | 1 |
| Minor | 0 | 0 | 0 | 3 | 0 | 0 |
| Informational | 3 | 0 | 0 | 6 | 0 | 3 |
| Discussion | 0 | 0 | 0 | 0 | 0 | 0 |



Audit Scope

| ID | File | SHA256 Checksum |
|-----|--------------|--|
| CKP | contract.sol | fd5b505af11580156108c0573d6000803e3d6000fd5b505050506040513d6020 |

4 files audited • 3 files with Acknowledged findings • 1 file with Resolved findings

| ID | Repo | Commit | File | SHA256 Checksum |
|-----------------------|-------------------------------|---------|-------------------------------|--|
| APB | coredao-org/dao- contracts | 1a550d5 | contracts/Aird ropPool.sol | 6b107e9cb0aea38712d01b7e40a7ed18aeb91a 0e2aa7dd1ccd880b266c0dc728 |
| • COR | coredao-org/dao- contracts | 1a550d5 | contracts/COR ESales.sol | 0323126fc721ae5ea737ad33aaeb2568a26b5e eb2fd011006f1cfce1dee7e648 |
| • TVB | coredao-org/dao- contracts | 1a550d5 | contracts/Tea mVesting.sol | 939147a2ac8de592227101e2fb9aeeb4c2d00e efac4679d96eab4f4eef78c635 |
| • SMB | coredao-org/dao- contracts | 1a550d5 | contracts/lib/S afeMath.sol | 6eeb4a240710a44001fb885f5000495e673c55 3a0c19e878265a523ad66095ea |



Overview

External Dependencies

Thecontract serves as the underlying entity to interactwith third-party protocols (token- wapping). The scopeof the audit treats third-party entities as blackboxes and assumestheir functional correctness. However, in the real world, third parties can be compromised and this may lead to lost or stolenassets.

Privileged Functions

The contract contains the followingprivileged functions that are restricted by role with the modifier. They are used to modify the contractconfigurations and addressattributes. We grouped these functions below.

- event OperatorTransferred()
- event OwnershipTransferred()
- function allowance()
- function approve()
- function burn()
- function decreaseAllowance()
- function owner()
- function renounceOwnership()
- setSwapAndLiquifyEnabled()
- setRouterAddress()

To improve the trustworthiness of the project, dynamic runtime updates in the project should be notified to the community. Any plan to invoke the aforementioned functions should be also considered to move to the execution queue of the Timelock contract.



01 | Centralization Risk in Function

Description

The addLiquidity()_hasLiqBeenAdded() function calls the coreV2Router.addLiquidityETH function with the to() address specified as owner() for acquiring the generated LP tokens from the corresponding pool. As a result, over time the _owner address will accumulate a significant portion of LP tokens. If _owner the is an EOA (Externally Owned Account), mishandling of its private key can have devastating consequences to the projectas a whole.

Recommendation

We advise to() the address of the coreV2Router.addLiquidityETH() function call to be replaced by the contract() itself, i.e. address(this), and to restrict the management of the LP tokens within the scope of the contract's businesslogic. This will also protect the LP tokens from being stolen if the _owner() account is compromised. In general, we strongly recommend centralized privileges or roles in the protocolto be improved via a decentralized mechanism or via smart-contract based accounts with enhanced securitypractices, f.e.Multisignature wallets().

Indicatively, here are some feasible solutionsthat would also mitigate the potential risk:

- Time-lock with reasonable latency, i.e. 48 hours, for awareness on privileged operations;
- Assignment of privileged roles to multi-signature wallets to preventsingle point of failure due to the private key;
- Introduction of a DAO / governance / voting moduleto increase transparency and user involvement



02 | Centralization Risk in Contract

| Category | Severity | Location | Status |
|---------------|--------------------------|--------------------------------------|------------------|
| Logical Issue | Medium | projects/contract.sol (98ba012): 243 | (i) Acknowledged |

Description

In the contract CoinTokens(), the role _owner() has the authority over the following function:

- excludeFromReward() / includeInReward(); the owner of the contractcan
 exclude/include an account from/inrewards.
- excludeFromFee() / includeInFee(): the owner of the contractcan exclude/include an account from/in fee.
- setTaxFeePercent(): the owner of the contractcan set the percentage of the tax fee.
- setDevFeePercent(): the owner of the contract can set the percentageof the dev fee.
- setLiquidityFeePercent(): the owner of the contract can set the percentageof liquidity fee.
- setMaxTxPercent(): the owner of the contract can set the maximum transaction amount.
- setDevWalletAddress(): the owner of the contractcan update the arbitrary address.
- setRouterAddress(): the owner of the contractcan set any arbitrary addressas the router address.
- setNumTokensSellToAddToLiquidity(): the owner of the contract can set the thresholdto trigger liquidity-adding process.

Any compromise to the _owner() account may allow the hacker to take advantageof this and modify the significant state of the contract, thus introducing centralization risk.



03 | APPROACH & METHODS

Description

This report has been prepared for HUSKY to discover issues and vulnerabilities in the source code of the HUSKY project as well as any contract dependencies that were not part of an officially recognized library Acomprehensive examination has been performed utilizing Manual Review and Static Analysis techniques

- Testing the smart contracts against both common and uncommon attack vectors
- Assessing the codebase to ensure compliance with current best practices and industry standards
- Ensuring contract logic meets the specifications and intentions of the client
- Cross referencing contract structure and implementation against similar smart contracts produced byindustry leader
- Thorough line-by-line manual review of the entire codebase by industry experts

The security assessment resulted in findings that ranged from critical to informational We recommend addressingthese findings to ensure a high level of security standards and industry practices. We suggest recommendations that could better serve the project from the security perspective

- testing the smart contracts against both common and uncommon attack vectors
- Enhance general coding practices for better structures of source codes
- Add enough unit tests to cover the possible use cases
- Provide more comments per each function for readability
- especially contracts that are verified in public
- Provide more transparency on privileged activities once the protocol is live



04 | SetAllowance()

Description

setAllowance() currently poses a risk of a race condition Consider the scenario

- operator() is allowed to applyFunds() up to 1000
- dao wants to increase the allowance by 100 and calls setAllowance(1100)
- However before this transaction was executed operator calls applyFunds(1000)
- After the allowance is increased operator calls applyFunds(1100)
- In total operator has spent which was not expected by dao

Recommendation

To prevent a possible race condition we recommend introducing increaseAllowance() and decreaseAllowance()



05 | Initial Token Distribution

| Category | Severity | Location | Status |
|---------------|--------------------------|--------------------------------------|------------------|
| Logical Issue | Medium | projects/contract.sol (98ba012): 817 | (i) Acknowledged |

Description

All of the tokens are sent to the contract deployer when deploying the contract. This could be a centralization risk as the deployer can distribute those tokens withoutobtaining the consensus of the community.

Recommendation

We recommend the team to be transparent regarding the initialtoken distribution process.



06 | Lack of Return Value Handling

| Category | Severity | Location | Status |
|---------------|-------------------------|--------------------------------------|----------------|
| Volatile Code | Minor | projects/contract.sol (98ba012): 843 | ① Acknowledged |

Description

The return values of function tryADD() are properly handled.

```
function tryAdd(uint256 a, uint256 b) internal pure returns (bool, uint256) {
   unchecked {
      uint256 c = a + b;
      if (c < a) return (false, 0);
      return (true, c);

function trySub(uint256 a, uint256 b) internal pure returns (bool, uint256) {
   unchecked {
      if (b > a) return (false, 0);
      return (true, a - b);
   }
}
```

Recommendation

We recommend using variables to receive the return value of the functions mentionedabove and handleboth success and failure cases if neededby the business logic.



07 UNLOCKED COMPILER VERSION

Language Specific

contracts/AirdropPool.sol (base): 1; contracts/CORESales.

Informational sol (base): 1; contracts/TeamVesting.sol (base): 1; contrac
 Resolved

ts/lib/SafeMath.sol (base): 1

Description

The contracts cited have an unlocked compiler version An unlocked compiler version in the source code of thecontract permits the user to compile it at or above a particular version This in turn leads to differences in thegenerated bytecode between compilations due to differing compiler version numbers This can lead to an ambiguitywhen debugging as compiler specific bugs may occur in the codebase that would be hard to identify over a span ofmultiple compiler versions rather than a specific one

Recommendation

We recommend the compiler version is instead locked at the lowest version possible that the contract can becompiled at For example for version v0.8.0 the contract should contain the following line

pragma solidity ^0.8.0;



08 | Lack of Error Message

| Category | Severity | Location | Status |
|--------------|-----------------------------------|--------------------------------------|------------------|
| Coding Style | Informational | projects/contract.sol (98ba012): 560 | (i) Acknowledged |

Description

The require statement can be used to check for conditions and throw an exception if the condition is not met.It is better to provide string messagecontaining details about the errorthat will be passed back to the caller.

Recommendation

We advise refactoring the linked codes as below:

```
function mod(uint256 a, uint256 b) internal pure returns (uint256) {
   return a % b;
}
```



09 | Redundant Code

| Category | Severity | Location | Status |
|---------------|---------------------------------|--------------------------------------|------------------|
| Logical Issue | Informational | projects/contract.sol (98ba012): 862 | (i) Acknowledged |

Description

The condition! _isExcluded[sender] & !_isExcluded[recipient] can be included in else .

Recommendation

The following code can be removed:

```
861 ... else if (!_isExcluded[sender] && !_isExcluded[recipient]) {
862    __transferStandard(sender, recipient, amount);
863 } ...
```



10 | Typos In The Contract

| Category | Severity | Location | Status |
|--------------|-----------------------------------|---|------------------|
| Coding Style | Informational | projects/contract.sol (98ba012): 470, 670 | (i) Acknowledged |

Description

There are several typos in the code and comments.

1. In the following code snippet, tokensIntoLiquidity() should be tokensIntoLiquidity()

```
function tryMul(uint256 a, uint256 b) internal pure returns (bool, uint256) {
   unchecked {
      // Gas optimization: this is cheaper than requiring 'a' not being zero, but the
      // benefit is lost if 'b' is also tested.
      // See: https://github.com/OpenZeppelin/openzeppelin-contracts/pull/522
      if (a == 0) return (true, 0);
      uint256 c = a * b;
      if (c / a != b) return (false, 0);
      return (true, c);
```

2. recieve() should be recieve() _swapping() should be _swapping() in the line of comment //to _recieve ETH from coreV2Router when swaping() .



Appendix

Finding Categories

Centralization / Privilege

Centralization / Privilege findings refer to either feature logic or implementation of components that act against the nature of decentralization, such as explicit ownership or specialized access roles in combination with a mechanism relocate funds.

Logical Issue

Logical Issue findingsdetail a faultin the logic of the linked code, such as an incorrect notion on how block.timestamp works.

Volatile Code

Volatile Code findingsrefer to segments of code that behave unexpectedly on certain edge cases that may resultin a vulnerability.

Coding Style

Coding Style findingsusually do not affect the generated byte-code but rather commenton how to make the codebase more legible and, as a result, easilymaintainable.

<u>Inconsistency</u>

Inconsistency findings referto functions that should seemingly behave similarly yet contain different code, such as a constructor assignment imposing different require statements on the input variables than a setterfunction.

Checksum Calculation Method

The "Checksum" field in the "Audit Scope" section is calculated as the SHA-256 (Secure Hash Algorithm 2 with digest size of 256 bits) digest of the content of each file hosted in the listed source repository under the specifiedcommit.

The result is hexadecimal encoded and is the same as the output of the Linux "sha256sum" commandagainst the target file.



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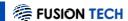
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