

KlayBank Audit Report - Staking

Audited By : Creative Carrot 🥕

Previously Audited : Claimswap, Kleva Protocol

Audit Target

Github : <https://github.com/klaybank/klaybank-audit-shared>

Commit Hash : 6b4045002602dee42a1eb3db30c1c88e8b109859

Files : `./klaybank-stake/contracts/**/*.sol`

CRITICAL : `KlaybankDistributionManager._getAssetIndex()` will drop last month's reward when updated after distribution ends

STATUS : FIXED ON 9322b504307b07c15f6dc720f08848c1c96f95a3

```
contracts/stake/KlaybankDistributionManager.sol:293:  
vars.currentMonthTimeDelta = 0; // CC : CRITICAL - this has to be  
SECONDS_OF_ONE_MONTH
```

<https://github.com/klaybank/klaybank-audit-shared/blob/main/klaybank-stake/contracts/stake/KlaybankDistributionManager.sol#L293>

If asset gets updated “after” the distribution ends, asset will ignore the remaining part of the last month since it sets the “currentMonthTimeDelta” to zero.

change vars.currentMonthTimeDelta to be SECONDS_OF_ONE_MONTH instead of zero

MAJOR : use `IStakedToken(stakedToken).GOVERNANCE_TOKEN()` instead of `GOVERNANCE_TOKEN` to ensure code functions even if stakedToken is not address(this)

STATUS : FIXED ON 9322b504307b07c15f6dc720f08848c1c96f95a3

```
contracts/stake/StakedToken.sol:131: // CC : MAJOR - use  
IStakedToken(stakedToken).GOVERNANCE_TOKEN instead of  
this.GOVERNANCE_TOKEN to ensure code functionality when staking to  
external StakedToken
```

<https://github.com/klaybank/klaybank-audit-shared/blob/main/klaybank-stake/contracts/stake/StakedToken.sol#L131>

StakedToken contract has stakedToken variable to allow chained stake to multiple vaults.

Since it is not guaranteed that StakedToken itself and stakedToken has same `GOVERNANCE_TOKEN`, there can be issue while calling `stakedToken.stake()` since StakedToken did not allowed spending `stakedToken.GOVERNANCE_TOKEN()`

Change to `IKIP7(IStakedToken(stakedToken).GOVERNANCE_TOKEN()).safeApprove(-`

MAJOR : `StakedToken.stakeAndActivateHeatup()` can be used to block users from redeeming

STATUS : FIXED ON 9322b504307b07c15f6dc720f08848c1c96f95a3

```
contracts/stake/StakedToken.sol:172: // CC : MAJOR - should add  
require(amount > 0) to reduce risk of heatup by thrid party
```

stakeAndActivateHeatup() can be called with amount == 0, so it is allowed to call it without staking any GOVERNANCE_TOKEN. And this function resets the heatup timestamp to block.timestamp which will be used to DoS the withdraw functions.

Add `require(amount>0)` in stakeAndActivateHeatup. Or, just remove `behalfOf` param in the functions

MINOR : `require(uint256(newIndex) == newIndex, 'Index overflow');` can be removed

STATUS : FIXED ON 9322b504307b07c15f6dc720f08848c1c96f95a3

```
contracts/stake/KlaybankDistributionManager.sol:141:  
require(uint256(newIndex) == newIndex, 'Index overflow'); // CC : MINOR -  
this cannot work as overflow check
```

since `newIndex` is already uint256, this require statement is meaningless

Remove this line entirely.

INFO : Duplicate statement can be merged

```
contracts/stake/KlaybankDistributionManager.sol:147:  
assetConfig.lastUpdateTimestamp = uint40(block.timestamp); // CC : INFO -  
else statement can be removed
```

STATUS : FIXED ON 9322b504307b07c15f6dc720f08848c1c96f95a3

`assetConfig.lastUpdateTimestamp = uint40(block.timestamp);` is written in both inside `if / else`, and `else` has nothing else than this update. So `else` can be removed if `assetConfig.lastUpdateTimestamp =`

`uint40(block.timestamp);` is written outside the `if / else`.

INFO : StakedKbt.constructor() parameter names should be changed

contracts/stake/StakedKbt.sol:15: IKIP7 stakedToken, // CC : INFO - name should be governanceToken

STATUS : ACKNOWLEDGED

StakedKbt.constructor() has parameter named `stakedToken` which is quite misleading since StakedToken has `stakedToken` storage variable.

Change parameter name to `governanceToken`

INFO : meaningless typecasting on StakedToken.initialize()

STATUS : ACKNOWLEDGED

contracts/stake/StakedToken.sol:132:
IKIP7(GOVERNANCE_TOKEN).safeApprove(address(stakedTokenAddress),
type(uint256).max); // CC : INFO - stakedTokenAddress is already address
type

StakedToken.initialize() function approves `GOVERNANCE_TOKEN` to `stakedTokenAddress` but this is done through typecasting the `stakedTokenAddress` to `address` type. which is awkward since it is already `address` type.