



MIS|TI™ PRESENTS

**InfoSecWorld**  
Conference & Expo 2018

# ETHEREUM AND SMART CONTRACT SECURITY

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# ETHEREUM IS NOT BITCOIN



*“The key component  
is this idea of a  
Turing-complete  
blockchain”*  
--Vitalik Buterin

# SMART CONTRACTS



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# LITERALLY A BILLION REASONS



Stephan Tual [Follow](#)

Slock.it Founder, Blockchain and Smart Contract Expert, Former CCO Ethereum  
Jun 12 · 3 min read

## No DAO funds at risk following the Ethereum smart contract ‘recursive call’ bug discovery

Our team is blessed to have Dr. Christian Reitwießner, Father of Solidity, as its Advisor. During the early development of the [DAO Framework 1.1](#) and thanks to his guidance we were made aware of a generic vulnerability common to all Ethereum smart contracts. We promptly circumvented this so-called “recursive call vulnerability” or “race to empty” from the DAO Framework 1.1 as can be seen on line [580](#):

WIRED

### SHARE

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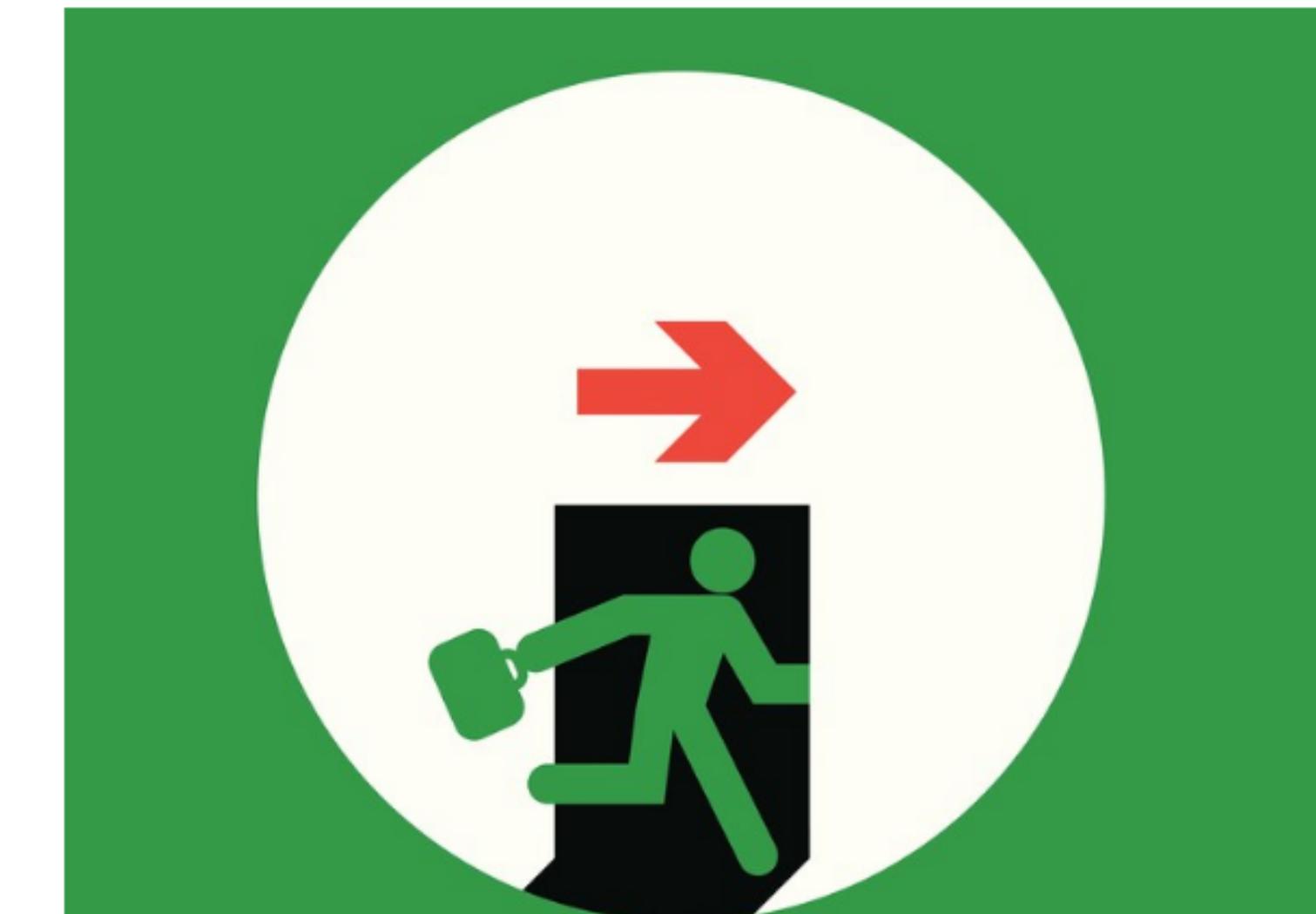
[PIN](#)

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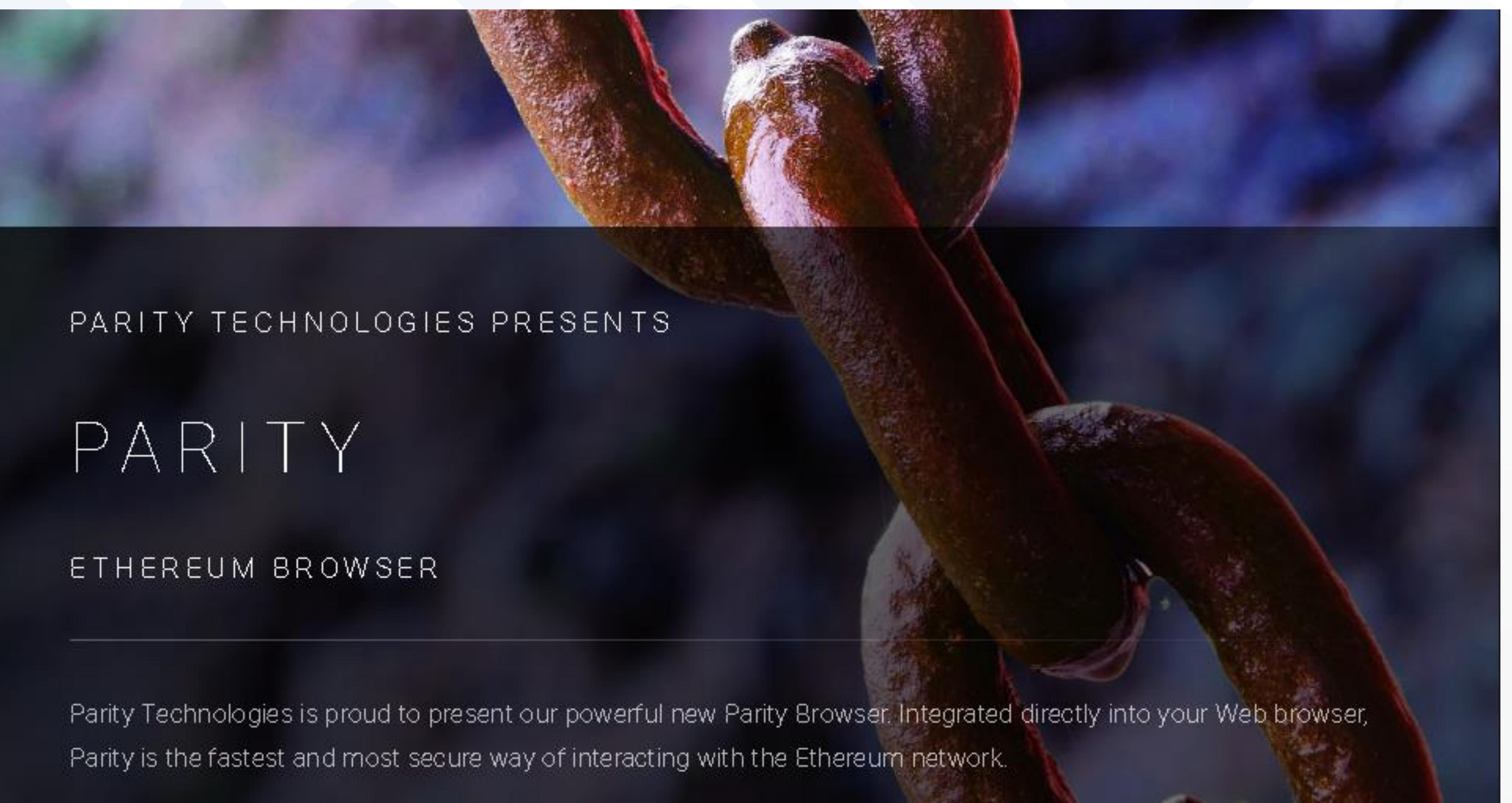
[EMAIL](#)

A \$50 Million Hack Just Showed That the DAO Was All Too Human

## A \$50 MILLION HACK JUST SHOWED THAT THE DAO WAS ALL TOO HUMAN



# 30 MILLION REASONS WILL DO



PARITY TECHNOLOGIES PRESENTS

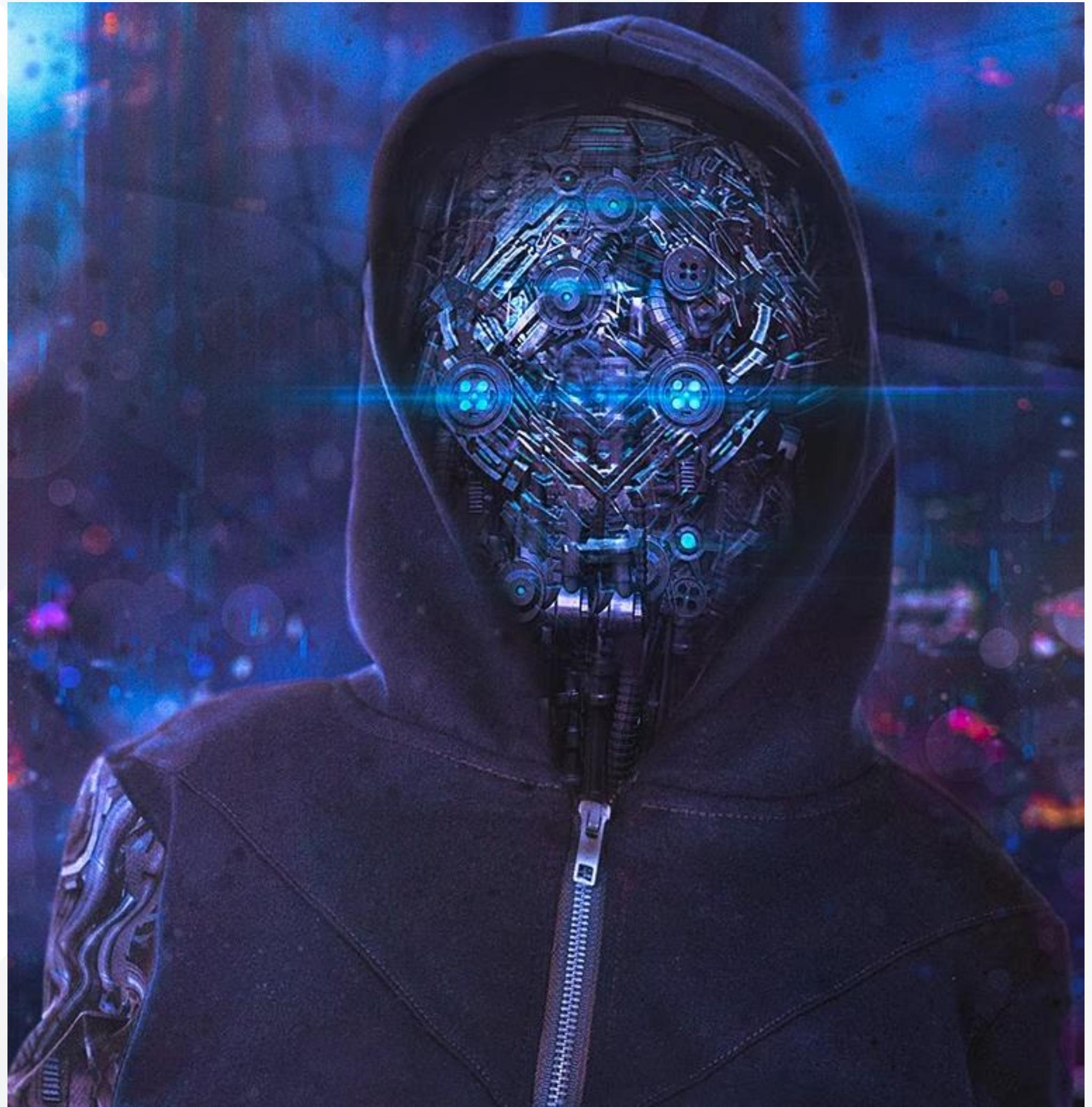
# PARITY

## ETHEREUM BROWSER

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Parity Technologies is proud to present our powerful new Parity Browser. Integrated directly into your Web browser, Parity is the fastest and most secure way of interacting with the Ethereum network.

# CAVEATS



# SOLIDITY



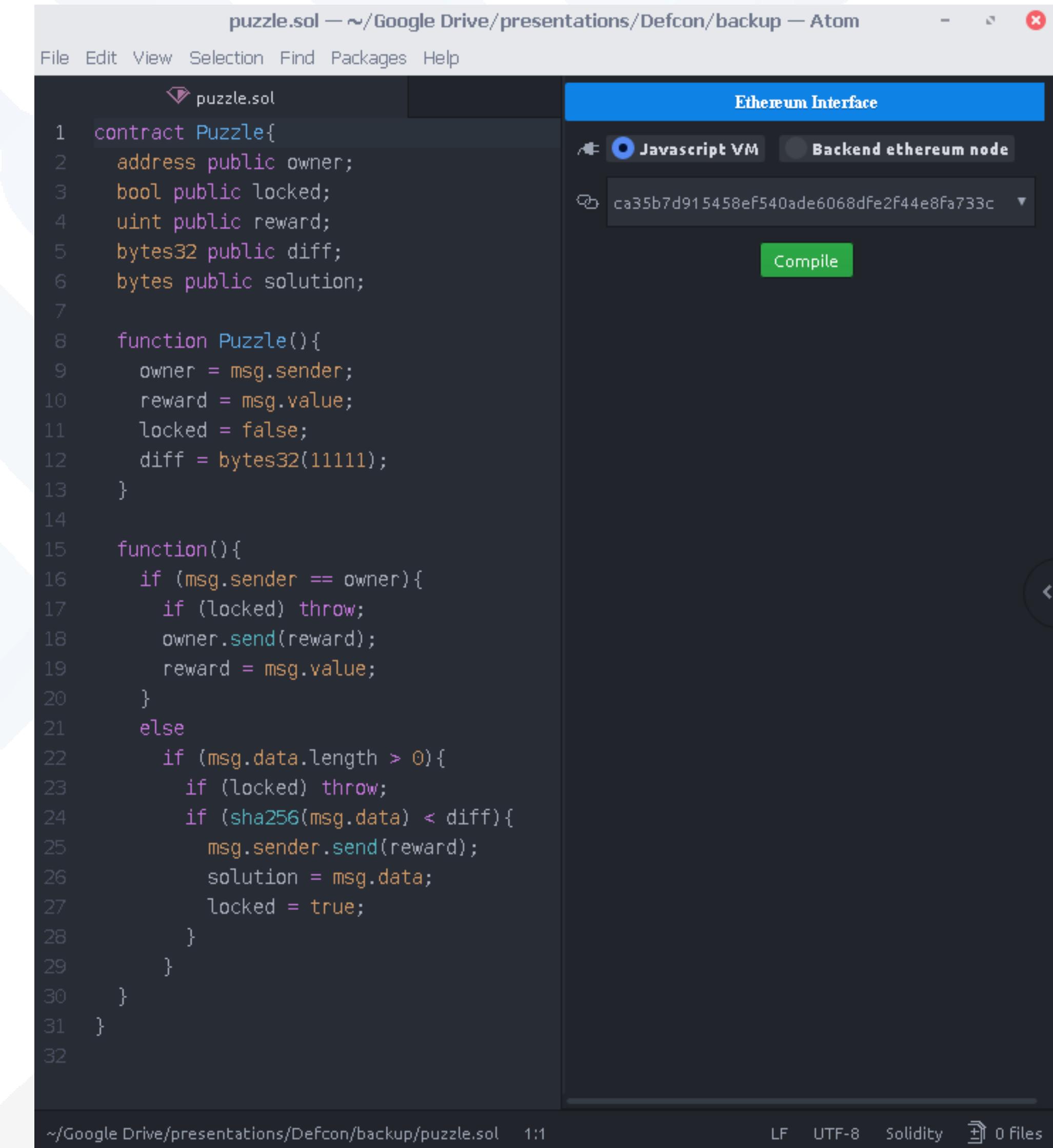
# DEV TOOLS

.sol files > bytecode > blockchain

Atom with plugins:

- language-ethereum
- etheratom

Remix: browser based



The screenshot shows the Atom text editor interface with the "Ethereum Interface" plugin loaded. The file being edited is "puzzle.sol". The code defines a Solidity contract named "Puzzle" with the following structure:

```
contract Puzzle{
    address public owner;
    bool public locked;
    uint public reward;
    bytes32 public diff;
    bytes public solution;

    function Puzzle(){
        owner = msg.sender;
        reward = msg.value;
        locked = false;
        diff = bytes32(11111);
    }

    function(){
        if (msg.sender == owner){
            if (locked) throw;
            owner.send(reward);
            reward = msg.value;
        }
        else
            if (msg.data.length > 0){
                if (locked) throw;
                if (sha256(msg.data) < diff){
                    msg.sender.send(reward);
                    solution = msg.data;
                    locked = true;
                }
            }
    }
}
```

The "Ethereum Interface" panel on the right shows the "Javascript VM" selected, with a transaction hash "ca35b7d915458ef540ade6068dFe2F44e8fa733c" listed. A green "Compile" button is visible at the bottom of the interface panel.

# SOLGRAPH

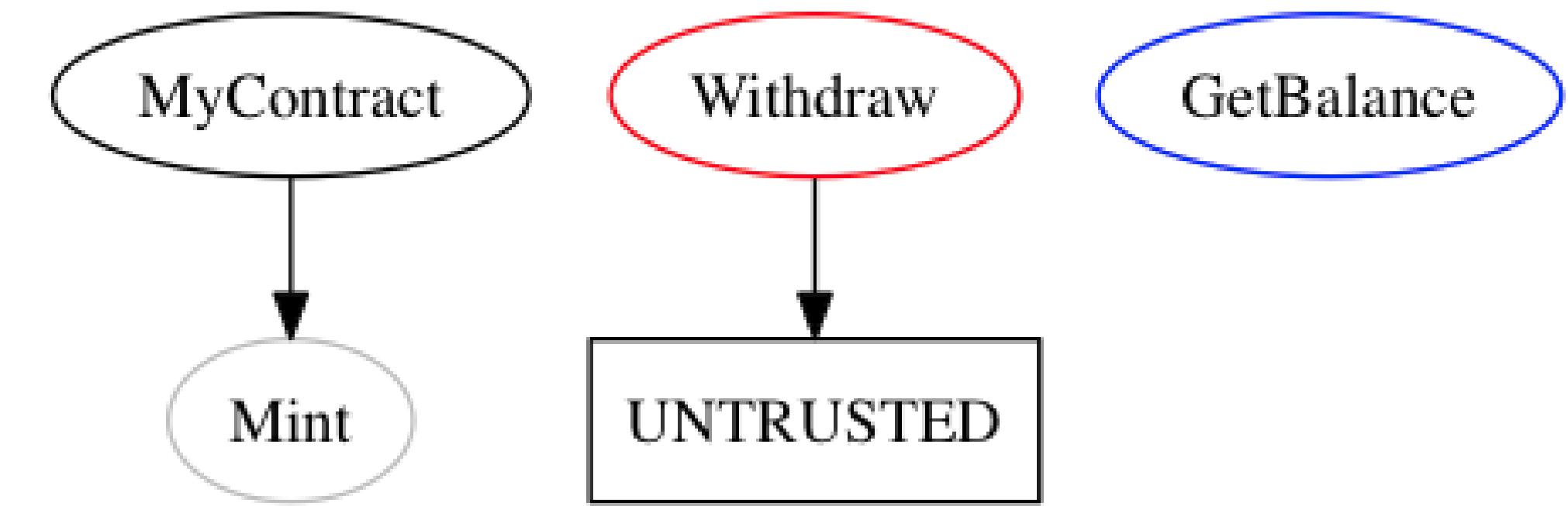
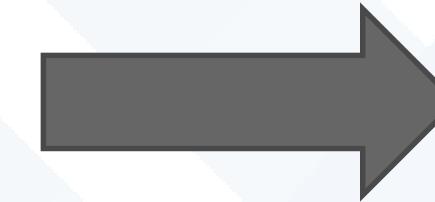
```
contract MyContract {
    uint balance;

    function MyContract() {
        Mint(1000000);
    }

    function Mint(uint amount) internal {
        balance = amount;
    }

    function Withdraw() {
        msg.sender.send(balance);
    }

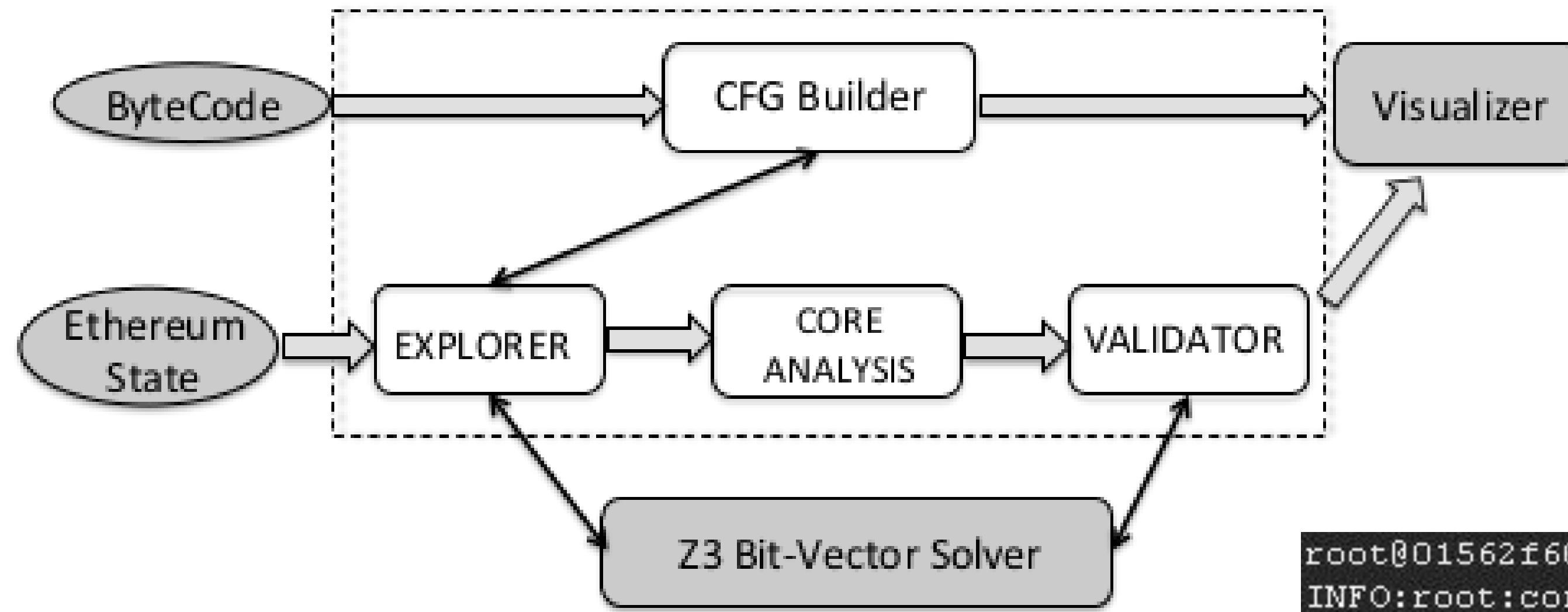
    function GetBalance() constant returns(uint) {
        return balance;
    }
}
```



## Legend:

- Black: Public function
- Gray: Internal function
- Red: Send to external address
- Blue: Constant function

# OYENTE



```
root@01562f60ae20:/oyente/oyente# python oyente.py -s hackertest.sol
INFO:root:contract hackertest.sol:greeter:
INFO:symExec: ===== Results =====
INFO:symExec: EVM Code Coverage: 99.5%
INFO:symExec: Parity Multisig Bug 2: False
INFO:symExec: Callstack Depth Attack Vulnerability: False
INFO:symExec: Transaction-Ordering Dependence (TOD): False
INFO:symExec: Timestamp Dependency: False
INFO:symExec: Re-Entrancy Vulnerability: False
INFO:symExec: ===== Analysis Completed =====
```

# MANTICORE



# MANTICORE

# BASIC METHODOLOGY

Interview devs  
Review .sol file  
Try compiling  
Dissect code flow—optional solgraph  
Run oyente (cross fingers)  
Run Manticore  
Manually check for following vulns...



# REENTRANCY

```
1 contract ReEntrancy {  
2  
3     mapping (address => uint) private expendableTokens;  
4  
5     function stealTokens() public {  
6         uint amountToLose = expendableTokens[msg.sender];  
7         if (!msg.sender.call.value(amountToLose)()) { throw; }  
8         expendableTokens[msg.sender] = 0;  
9     }  
10 }
```

# LEAVE OFF THE FIRST “RE-” FOR SAVINGS

```
1 contract Entrancy {  
2  
3     mapping (address => uint) private expendableTokens;  
4  
5     function stealTokens() public {  
6         uint amountToLose = expendableTokens[msg.sender];  
7         expendableTokens[msg.sender] = 0;  
8         if (!msg.sender.call.value(amountToLose)()) { throw; }  
9     }  
10 }
```

# REENTRANCY (AND IRONY) IN THE DAO CODE

```
// Burn DAO Tokens
    Transfer(msg.sender, 0, balances[msg.sender]);
    withdrawRewardFor(msg.sender); // be nice, and get his rewards
    totalSupply -= balances[msg.sender];
    balances[msg.sender] = 0;
    paidOut[msg.sender] = 0;
    return true;
}
```

# DEFAULT PUBLIC – PARITY WALLET HACK

```
@@ -104,7 +104,7 @@ contract WalletLibrary is WalletEvents {  
104    104  
105    105      // constructor is given number of sigs required to do protected "onlymanyowners" transactions  
106    106      // as well as the selection of addresses capable of confirming them.  
107    - function initMultiowned(address[] _owners, uint _required) {  
107    + function initMultiowned(address[] _owners, uint _required) internal {  
108    108        m_numOwners = _owners.length + 1;  
109    109        m_owners[1] = uint(msg.sender);  
110    110        m_ownerIndex(uint(msg.sender)) = 1;  
  
@@ -198,7 +198,7 @@ contract WalletLibrary is WalletEvents {  
198    198    }  
199    199  
200    200      // constructor - stores initial daily limit and records the present day's index.  
201    - function initDaylimit(uint _limit) {  
201    + function initDaylimit(uint _limit) internal {  
  
216    +  
214    217      // constructor - just pass on the owner array to the multiowned and  
215    218      // the limit to daylimit  
216    - function initWallet(address[] _owners, uint _required, uint _daylimit) {  
219    + function initWallet(address[] _owners, uint _required, uint _daylimit) only_uninitialized {
```

# INITWALLET

## Overview Comments

## Tools & Utilities

## Transaction Information

TxHash: 0x9dbf0326a03a2a3719c27be4fa69aacc9857fd231a8d9dcae4bb083def75ec

Block Height: [4043800](#) (28739 block confirmations)

TimeStamp: 6 days 5 hrs ago (Jul-19-2017 12:18:15 PM +UTC)

From: 0xb3764761e297d6f121e79c32a65829cd1ddb4d32 (MultisigExploit-Hacker)

To: Contract 0xbec591de75b8699a3ba52f073428822d0bfcc0d7e 

**Value:** 0 Ether (\$0.00)

Gas Limit: 82703

Gas Price: 0.000000021 Ether (21 Gwei)

Gas Used By Txn: 66839

Actual Tx Cost/Fee: 0.001403619 Ether (\$0.29)

Cumulative Gas Used: 1283734

Nonce:

### Input Data:

## Convert To Ascii

# EXECUTE

Overview Internal Transactions Event Logs Comments

Tools & Utilities

## Transaction Information

TxHash: 0xeef10fc5170f669b86c4cd0444882a96087221325f8bf2f55d6188633aa7be7

Block Height: [4043802](#) (28738 block confirmations)

TimeStamp: 6 days 5 hrs ago (Jul-19-2017 12:19:36 PM +UTC)

From: 0xb3764761e297d6f121e79c32a65829cd1ddb4d32 (MultisigExploit-Hacker)

To:  Contract 0xber591de75h8699a3ha52f073428822d0hfc0d7e 

... TRANSFER 82,189 Ether to → 0xb3764761e297d6f121...

Value: 0 Ether (\$0.00)

Gas Limit: 78926

Gas Price: 0.000000021 Ether (21 Gwei)

Gas Used By Txn: 58433

Actual Tx Cost/Fee: 0.001227093 Ether (\$0.25)

Cumulative Gas Used: 1821881

**Nonce:**

## Input Data:

Function: execute(address to, uint256 value, bytes data)

\* \* \*

MethodID: 0xb61d27f6

1ddb4d32

[1] : 00000

e4140000

[Connect To AOL](#)



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# PARITY MULTISIG WALLET HACK 2



devops199 commented 22 hours ago • edited

I accidentally killed it.

<https://etherscan.io/address/0x863df6bfa4469f3ead0be8f9f2aae51c91a907b4>

# UNCHECKED SEND IN KING OF THE ETHER



← → C ⌂ GitHub, Inc. [US] | <https://github.com/kieranelby/KingOfTheEtherThrone/blob/v0.4.0/contr>

```
117     uint compensation = valuePaid - wizardCommission;  
118  
119     if (currentMonarch.etherAddress != wizardAddress) {  
120         currentMonarch.etherAddress.send(compensation);  
121     } else {  
122         // When the throne is vacant, the fee accumulates for the wizard.  
123     }  
124 }
```

# UNCHECKED SEND

```
1 if (kingOfLosingDone && !( compensationSent ) ) {  
2     monarch.send(500);  
3     compensationSent = True;  
4 }
```

```
1 if (kingOfLosingDone && !( compensationSent ) ) {  
2     if (monarch.send(500))  
3         compensationSent = True;  
4     else throw;  
5 }
```

# GAS LIMITS



# WITHDRAW DON'T SEND

```
1 contract SendContract {  
2     address public richest;  
3     uint public mostSent;  
4  
5     function SendContract() payable {  
6         richest = msg.sender;  
7         mostSent = msg.value;  
8     }  
9  
10    function becomeRichest() payable returns (bool) {  
11        if (msg.value > mostSent) {  
12            richest.transfer(msg.value);  
13            richest = msg.sender;  
14            mostSent = msg.value;  
15            return true;  
16        } else {  
17            return false;
```

# WITHDRAWN NOT SENT

```
1 contract WithdrawalContract {  
2     address public richest;  
3     uint public mostSent;  
4  
5     mapping (address => uint) pendingWithdrawals;  
6  
7     function WithdrawalContract() payable {  
8         richest = msg.sender;  
9         mostSent = msg.value;  
10    }  
11}
```

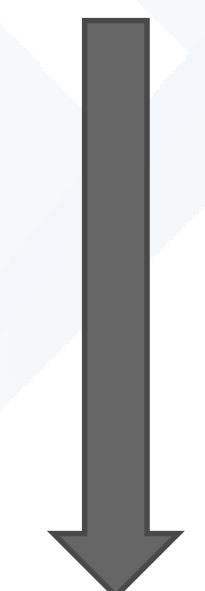
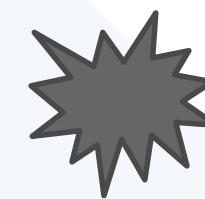
```
12     function becomeRichest() payable returns (bool) {  
13         if (msg.value > mostSent) {  
14             pendingWithdrawals[richest] += msg.value;  
15             richest = msg.sender;  
16             mostSent = msg.value;  
17             return true;  
18         } else {  
19             return false;  
20         }  
21     }  
22  
23     function withdraw() {  
24         uint amount = pendingWithdrawals[msg.sender];  
25         pendingWithdrawals[msg.sender] = 0;  
26         msg.sender.transfer(amount);  
27     }
```

# ENCRYPTION



# TRANSACTION-ORDERING DEPENDENCE

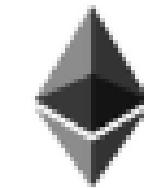
```
1 contract Puzzle{  
2     address public owner;  
3     bool public locked;  
4     uint public reward;  
5     bytes32 public diff;  
6     bytes public solution;  
7  
8     function Puzzle(){  
9         owner = msg.sender;  
10        reward = msg.value;  
11        locked = false;  
12        diff = bytes32(11111);  
13    }  
14}
```



```
15     function(){  
16         if (msg.sender == owner){  
17             if (locked) throw;  
18             owner.send(reward);  
19             reward = msg.value;  
20         }  
21         else  
22             if (msg.data.length > 0){  
23                 if (locked) throw;  
24                 if (sha256(msg.data) < diff){  
25                     msg.sender.send(reward);  
26                     solution = msg.data;  
27                     locked = true;  
28                 }
```

# CALL-STACK DEPTH LIMIT

```
INFO:symExec: ====== Results ======
INFO:symExec: EVM Code Coverage: 99.5%
INFO:symExec: Parity Multisig Bug 2: False
INFO:symExec: Callstack Depth Attack Vulnerability: False
INFO:symExec: Transaction-Ordering Dependence (TOD): False
INFO:symExec: Timestamp Dependency: False
INFO:symExec: Re-Entrancy Vulnerability
INFO:symExec: ===== Analysis Completed =====
```



Ethereum ✅  
@ethereumproject

Following

Announcement of imminent hard fork for  
EIP150 gas cost changes:



**Announcement of imminent hard fork for EIP150 gas cost...**

During the last couple of weeks, the Ethereum network has been the target of a sustained attack. The attacker(s) have been very crafty in locating vulnerabilities in the client implementations as...

[blog.ethereum.org](http://blog.ethereum.org)

# VARIABLE OR FUNCTION AMBIGUITY

```
1 Player[] public persons;
2
3 uint public payoutCursor_Id_ = 0;
4 uint public balance = 0;
5
6 address public owner;
7
8 uint public payoutCursor_Id=0;
9 ...
10 while (balance > persons[payoutCursor_Id_].deposit / 100 * 115) {
11     uint MultipliedPayout = persons[payoutCursor_Id_].deposit / 100 * 115;
12     persons[payoutCursor_Id].etherAddress.send(MultipliedPayout);
13
14     balance -= MultipliedPayout;
15     payoutCursor_Id_++;
```

## INPUT VALIDATION

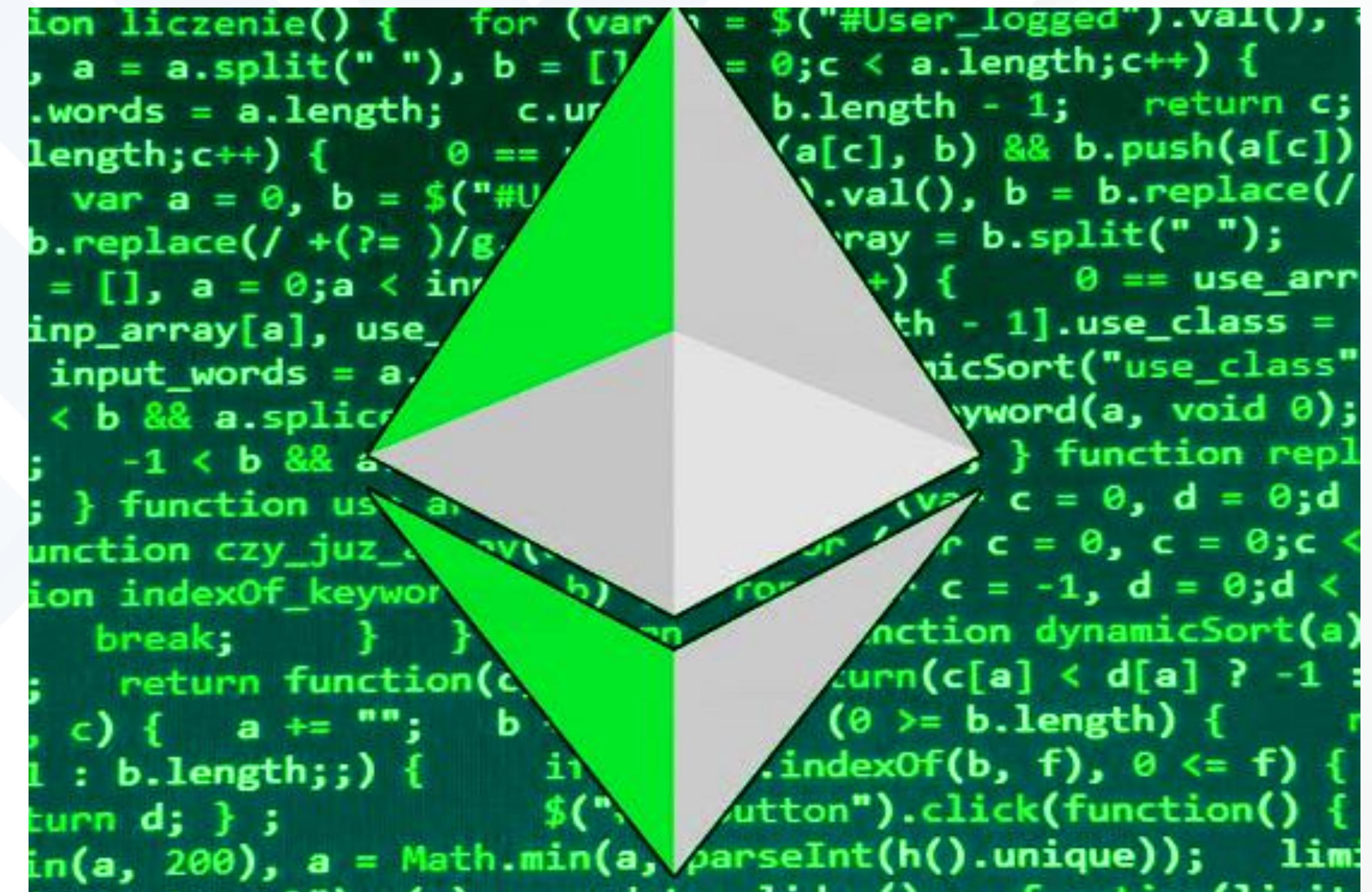
**throw** -- being deprecated

**require (condition)** – check external conditions  
(invalid inputs or errors in external components)

**assert (condition)** – internal errors

# ODDS AND ENDS

Timestamp dependence  
Business logic flaws  
Separating public/private data



GET INVOLVED





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**THANK YOU  
PLEASE FILL OUT YOUR EVALUATIONS!**

*Konstantinos Karagiannis  
Chief Technology Officer, Security Consulting  
@KonstantHacker*