



**Plutoz Finance**  
**Smart Contract Audit Report**

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**May 29<sup>th</sup>, 2021**

## Disclaimer

This is a limited report on our findings based on our analysis, in accordance with good industry practice as at the date of this report, in relation to: (i) cybersecurity vulnerabilities and issues in the smart contract source code analysed, the details of which are set out in this report, (Source Code); and (ii) the Source Code compiling, deploying and performing the intended functions. In order to get a full view of our findings and the scope of our analysis, it is crucial for you to read the full report. While we have done our best in conducting our analysis and producing this report, it is important to note that you should not rely on this report and cannot claim against us on the basis of what it says or doesn't say, or how we produced it, and it is important for you to conduct your own independent investigations before making any decisions. We go into more detail on this in the disclaimer below – please make sure to read it in full.

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## Document Properties

<b>Client</b>	Plutoz Finance
<b>Title</b>	Smart Contract Audit Report
<b>Repository</b>	<a href="https://github.com/PTZFinance/Plutoz-Lending">https://github.com/PTZFinance/Plutoz-Lending</a>
<b>Commit</b>	5ab26eed1dfe94903ffb34671027eb9d0881ee53
<b>Author</b>	Sutee Sudprasert
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<b>Approved By</b>	Dom Charoenyos
<b>Classification</b>	Confidential

## Introduction

Thai Chain was contracted by Plutoz Finance to conduct an audit of smart contracts. The report presents the findings of the security assessment of the smart contracts and its code review conducted between May 20th, 2021 - May 29th, 2021.

## Scope

The scope of the project is smart contracts in the repository:

<https://github.com/PTZFinance/Plutoz-Lending> (5ab26ee)

The files in the scope of auditing are LoanTokenLogicStandard.sol, FairLaunch.sol, and PlutozToken.sol.

## Executive Summary

The Plutoz project is a lending platform on Binance Smart Chain that was forked from BzX. However, the version that has been used is the prior version before being audited by Certik and Peckshield. So they have inherited the issues that have been found by those two lending smart contract auditing companies. The client should consider fixing those known issues too.

Our team performed an analysis of code functionality and manual audit. We found 1 critical and 1 lowest issue during the audit.

**Notice:** the audit scope is limited and does not include all files in the repository. Though, reviewed contracts are secure, we may not guarantee the secureness of contracts that are not in the scope.

## Severity Definitions

Severity Level	Description
Critical	Critical vulnerabilities are usually straightforward to exploit and can lead to asset loss or data manipulations.
High	High-level vulnerabilities have a significant impact on smart contract execution, e.g., public access to crucial functions.
Medium	Medium-level vulnerabilities are important to fix; however, they can't lead to asset loss or data manipulations.
Low	Low-level vulnerabilities are mostly related to outdated, unused, etc. code snippets that can't have a significant impact on execution.
Lowest / Coding Style / Best Practice	Lowest-level vulnerabilities, code style violations, and info statements can't affect smart contract execution and can be ignored.

## Audit Overview

### Critical

1. The `borrow` function in the `LoanTokenLogicStandard` contract does not have validations for checking the `msg.sender` is not the owner of the loan (`borrower`) when applied to the existing loan (`loanId != 0`). This issue allows an arbitrary user to impersonate a borrower for borrowing digital assets to a given receiver if the loan still has margin left.

### Exploiting Scenario

1. Bob borrowed 1000 USDT by using 2000 BUSD as a collateral token. So Bob still has margin left 16.67% (more 333.4 USDT can be borrowed from this loan).
2. An exploiter can find Bob's `loanId` from event `Borrow` and use the `loanId` to check that Bob still has margin left by using the public `loans` function of `pfiProtocol` contract.
3. An exploiter called the function `borrow` with Bob's `loanId` and used an exploiter address as a `receiver`. With only a small amount of collateral token (BUSD), an attacker can get 333.4 USDT from Bob's loan.

**Recommendation:** Add sanity checks against the `msg.sender` and the `borrower` when `loanId` is not 0.

```
function borrow(
    bytes32 loanId,
    uint256 withdrawAmount,
    uint256 initialLoanDuration,
    uint256 collateralTokenSent,
    address collateralTokenAddress,
    address borrower,
    address receiver,
    bytes memory /*loanDataBytes*/)
    public
    payable
    nonReentrant
    returns (uint256, uint256)
{
    ...

    // ensures authorized use of existing loan
    require(loanId == 0 || msg.sender == borrower, "13");

    require(msg.value == 0 || msg.value == collateralTokenSent, "7");
    require(collateralTokenSent != 0 || loanId != 0, "8");

    ...
}
```

**Status:** This issue has been addressed by validating the `msg.sender` in the beginning of `borrow()` when `loanId != 0` in this commit: [3f6264c](#).

### High

No high issues were found.

### Medium

No medium issues were found.

### Low

No low issues were found.

### Lowest / Coding Style / Best Practice

1. The computation of `interestOwedPerDay` in the `_avgBorrowInterestRate` function of the `LoanTokenLogicStandard` contract should apply multiplication before division.

**Recommendation:** To improve the precision of the arithmetic operations, multiplication should be applied before division.

```
function _avgBorrowInterestRate(  
    uint256 assetBorrow)  
    internal  
    view  
    returns (uint256)  
{  
    if (assetBorrow != 0) {  
        (uint256 interestOwedPerDay,) = _getAllInterest();  
        return interestOwedPerDay  
            .mul(3650**20)  
            .div(assetBorrow);  
    }  
}
```

## Conclusion

Smart contracts contain 1 critical severity issue which should be fixed as soon as possible. Audited only the smart contracts listed above, without any other smart contracts of the project.