# Lessons from 3 years of crypto and blockchain security audits

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Crypto audits lead @

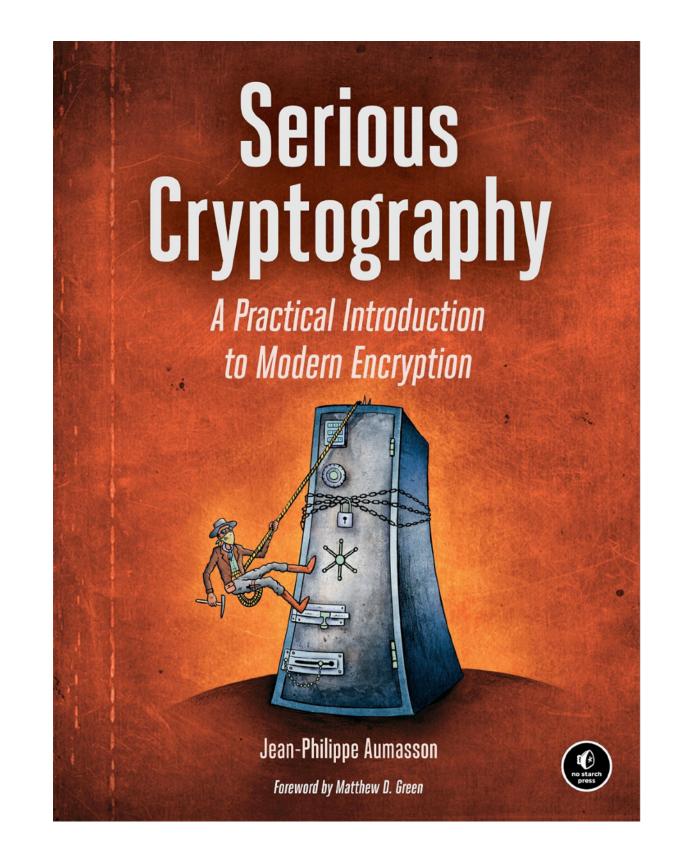


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#### People also ask

What does it mean to audit something?

an official examination and verification of financial accounts and records. 2. a final report detailing an **audit**. 3. the inspection or examination of **something**, as a building, to determine its safety, efficiency, or the like.

We look for security issues and help fix them

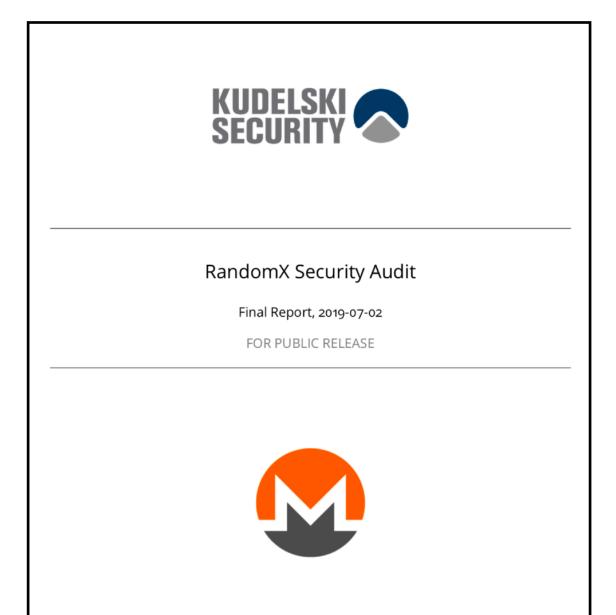
In source code, mainly C(++), JS, Rust, Java, Go

Sometimes documentation is available

We get paid for it (unless we do it for fun)

Reports are sometimes published

Include findings, recommendations, status



#### 2.4 BEAM-F-004: Weak password key derivation

Severity: Medium

hp.V >> key.V;

#### **Description**

The keystore encryption key is directly taken as the SHA-256 of the password, allowing efficient bruteforce search of the password and possibly offline attacks if one of the blocks is predictable:

```
void init_aes_enc(AES::Encoder& enc, const void* password, size_t passwordLen) {
    ECC::NoLeak<ECC::Hash::Processor> hp;
    ECC::NoLeak<ECC::Hash::Value> key;
    hp.V.Write(password, passwordLen);
```

FOR PUBLIC RELEASE

```
Beam-mw Security Audit

enc.Init(key.V.m_pData);
```

#### Recommendation

We recommend to use a password hashing function that mitigates bruteforce attacks by being slow, such as PBKDF2 (with at least 50000 iterations) or Argon2.

#### **Status**

Beam fixed this by removing the weak password derivation.

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- 2. The case of **Rust**: typical bugs and recommendations
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Finding bugs is easy
Writing bug-free code is hard
Writing bug-free crypto is harder

## Bug#1 Strong cipher yet weak encryption

```
addrAttrNonce :: ByteString
addrAttrNonce = "serokellfore"

-- | Serialize tree path and encrypt it using HDPassphrase via ChaChaPoly1305.
packHDAddressAttr :: HDPassphrase -> [Word32] -> HDAddressPayload
packHDAddressAttr (HDPassphrase passphrase) path = do
    let !pathSer = serialize' path
    let !packCF = encryptChaChaPoly addrAttrNonce passphrase "" pathSer
    case packCF of
    CryptoFailed er -> panic $ "Error in packHDAddressAttr: " <> show er
    CryptoPassed p -> HDAddressPayload p
```

Found in a major cryptocurrency wallet, totally defeats encryption

## Bug#2 Weak key derivation from a password

encryption\_key = SHA-256(password)

Encryption key then easy to break

Need to use a password hash with salt and cost

Found in several audits (with various hash functions)

## Bug#3 Hijacking accounts in a \$3B cryptocurrency

```
(publicKey, privateKey) = deriveKey(seed)
address = hash(publicKey)
```

With 64-bit address, what can go wrong?

## Bug#3 Hijacking accounts in a \$3B cryptocurrency

```
(publicKey, privateKey) = deriveKey(seed)
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```

With 64-bit address, what can go wrong?

Find another key pair with the same address in 2<sup>64</sup> elliptic curve operations, exploitable to **hijack accounts**, unfixable

## Bug#4

## Weak encryption in credentials store

Found in an anonymous cryptocurrency wallet

## Bug#5 Flaws in NFC cryptocurrency wallet

Symmetric key sent in clear

Hash(PIN) sent to unauthenticated receivers

Default PIN length of 3 digits

Control commands sent without authentication (spoofable)

## Bug#6 Entropy data ignored in key generation

In a BIP32 hierarchical key derivation software

Generating an address from a 64-byte seed:

```
$ echo bc0ef283f57fd5e4f36657053228eae8d2d5b0e4d87c6ee069a9cade39411d63
bip32gen -x -i entropy -o addr m
1Jzuo5xm62i8gFQLQb58f2F5a7nTK3o8bD
```

## Bug#6 Entropy data ignored in key generation

In a BIP32 hierarchical key derivation software

Generating an address from a 64-byte seed:

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$ echo bc0ef283f57fd5e4f36657053228eae8d2d5b0e4d87c6ee069a9cade39411d63
bip32gen -x -i entropy -o addr m
1Jzuo5xm62i8gFQLQb58f2F5a7nTK3o8bD
```

When truncating the seed to 32 bytes, same result. 😌

```
$ echo bc0ef283f57fd5e4f36657053228eae8 |
bip32gen -x -i entropy -o addr m
1Jzuo5xm62i8gFQLQb58f2F5a7nTK3o8bD
```

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Memory-safe system language, using reference counting (no GC)

Used more and more for crypto, for its safety and performance

Example: a large part of **Zcash**'s reference code is in Rust

## Pre-auditing

cargo test

cargo clippy

cargo audit

rg unsafe

### unsafe can be unsafe

unsafe blocks of code can break memory safety — typically used when using raw pointers in FFI calls

Review all unsafe blocks for e.g. out-of-bound read/write

```
#[no_mangle]
pub extern "C" fn wallet_from_seed(seed_ptr: *const c_uchar, out: *mut c_uchar) {
    let seed = unsafe { read_seed(seed_ptr) };
    let xprv = hdwallet::XPrv::generate_from_seed(&seed);
    unsafe { write_xprv(&xprv, out) }
}
unsafe fn read_seed(seed_ptr: *const c_uchar) -> hdwallet::Seed {
        let seed_slice = std::slice::from_raw_parts(seed_ptr, hdwallet::SEED_SIZE);
        hdwallet::Seed::from_slice(seed_slice).unwrap()
}
```

## Careful with unwrap ()

unwrap() will panic if the Option/Result processed is None/Err

To avoid DoS, panic should be reserved for unrecoverable errors

Example from an audit, where deserialize() can return Err

### Zeroize or not zeroize?

Sensitive values can be reliably erased/zeroized in C(++)

Usually not in garbage-collected languages (e.g. Go, Java, JS)

What about Rust?

### Zeroize or not zeroize?

More reliable for heap than stack (no control on stack allocator)

Caveats: moves, copies, heap reallocations, etc.

Consider using the crate zeroize

## Crypto and Rust

Rust programmers tend to be good programmers – fewer bugs per LoC

Fewer tools available than for C, but these are mostly useless anyway:)

Potential timing leaks usually easy to notice...

#### 2.7 KZENC-F-007: Possible Timing Leak in Mpz::Modulo::mod\_sub

Severity: Low

#### **Description**

In big\_gmp.rs, the Mpz::Modulo::mod\_sub() function is implemented as follows:

```
fn mod_sub(a: &Self, b: &Self, modulus: &Self) -> Self {
    let a_m = a.mod_floor(modulus);
    let b_m = b.mod_floor(modulus);
    if a_m >= b_m {
        (a_m - b_m).mod_floor(modulus)
    } else {
        (a + (-b + modulus)).mod_floor(modulus)
    }
}
```

#### 2.8 KZENC-F-008: Possible Timing Attack in ECScalar::from()

Severity: Low

#### **Description**

In ed25519.rs, the ECScalar::from() function is implemented as follows:

```
fn from(n: &BigInt) -> Ed25519Scalar {
    let mut v = BigInt::to_vec(&n);
    let mut bytes_array_32: [u8; 32];

if v.len() < SECRET_KEY_SIZE {
    let mut template = vec![0; SECRET_KEY_SIZE - v.len()];
    template.extend_from_slice(&v);
    v = template;
}

bytes_array_32 = [0; SECRET_KEY_SIZE];
let bytes = &v[..SECRET_KEY_SIZE];
let bytes_array_32.copy_from_slice(&bytes);
bytes_array_32.reverse();
Ed25519Scalar {
    purpose: "from_big_int",
    fe: SK::from_bytes(&bytes_array_32),
}
}
</pre>
```

The conditional if statement before padding introduces a possible timing leak in case the secret key has a lot of leading zeroes.

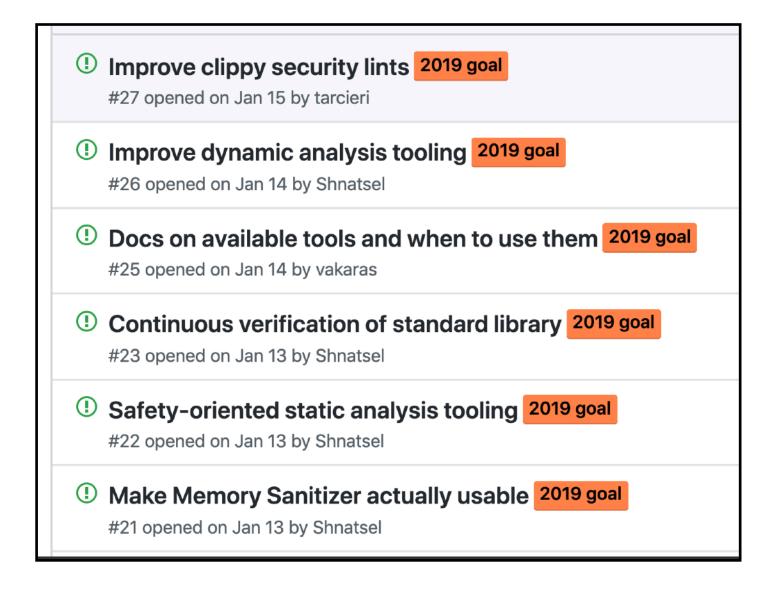
### References

There's much more to say about Rust and its security

https://tonyarcieri.com/rust-in-2019-security-maturity-stability



https://github.com/rust-secure-code/



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### The situation is much better than 10 years ago

Cryptography is easier to use, the average developers understands more crypto, more resources and software

Many crypto audits are not much about crypto

Language knowledge and familiarity with all classes of bugs at least as important as pure crypto knowledge

#### Both sides must be prepared

Auditor: Be familiar with the kind of system/protocol audited, its components, security notions, language/frameworks

Customer: Provide a description of critical assets and functionalities, intended behavior, documentation, security model

### Scoping and effort estimate is hard

There are trade-offs between completeness, flexibility, and cost

cloc results are useful but not sufficient

### Distribution of the time of findings' varies

Sometimes most issues found at the **beginning** of the audit; low-hanging fruits then diminishing returns

Sometimes later, because of the learning curve

(Depends on the functionality, code and system complexity)

### Severity ratings is not always easy

Should be risk-based (impact × exploitability), as in CVSS

Overestimation is more common than underestimation

A cryptographer may cringe if they see MD5 or AES-ECB used, but these may not be actual security issues

### Understand the security model

For example, when reviewing a proof-of-work, consider attacks by both block authors and miners

#### Empathize with developers

After writing the report, read it and imagine that you're the developer who wrote the code, and revise the tone accordingly

Provide a clear description, mitigation suggestions, links to relevant documentation/articles, review the patch

#### Communicate, report findings

Establish a group chat with developers, ask questions, report findings to 1) know if relevant or FP/incorrect, 2) help developers mitigate earlier

### Audits are no security guarantee

Security audits tend to be broader than they're deep

Different teams/persons have different fields of expertise

Audit limited in time/scope/budget

Vulnerabilities can be in dependencies/runtime/platform

## Thank you!

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