

# yAudit Sickle Review

### **Review Resources:**

• None beyond the code repositories

### **Auditors:**

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### **Table of Contents**

- 1 yAudit Sickle Review
  - a Review Summary
  - b Scope
  - c Code Evaluation Matrix
  - d Findings Explanation
  - e Critical Findings
  - f High Findings
    - a 1. High MasterchefV3Connector deposits can be blocked
      - a Technical Details
      - b <u>Impact</u>
      - c Recommendation
      - d Developer Response
  - g Medium Findings
    - a 1. Medium Fees can be bypassed by passing a token with no balance as a tokenIn or tokenOut

Technical Details **Impact** b Recommendation d Developer Response h Low Findings 1. Low - Wrapped native tokens may stay in sickle after compoundFor(). Technical Details b **Impact** Recommendation Developer Response 2. Low - Sickles may execute arbitrary calls Technical Details **Impact** b Recommendation Developer Response 3. Low - ZapModule fails to verify value consistency among redundant fields Technical Details Impact b Recommendation d Developer Response Gas Saving Findings 1. Gas - Cache array length when iterating over it Technical Details b **Impact** Recommendation Developer Response 2. Gas - Store custom registries as a map Technical Details Impact b Recommendation

- d Developer Response 3. Gas - Avoid writing default values Technical Details b Impact Recommendation Developer Response Informational Findings 1. Informational - Missing event emissions Technical Details b Impact Recommendation d Developer Response 2. Informational - Unused imports **Technical Details Impact** b Recommendation Developer Response 3. Informational - Upgrade OpenZeppelin dependency Technical Details **Impact** Recommendation d Developer Response 4. Informational - Use msg.sender to retrieve sickle in FarmStrategy's compound() Technical Details **Impact** b Recommendation
- e 5. Informational \_transferAssets() can be used in place of loops in FlashloanStrategy
  - a Technical Details

Developer Response

- b Impact
- c Recommendation
- d Developer Response
- f 6. Informational Curve token connectors can have their swaps sandwiched
  - a Technical Details
  - b Impact
  - c Recommendation
  - d Developer Response
- g 7. Informational Prisma rewards may get stuck
  - a Technical Details
  - b Impact
  - c Recommendation
  - d Developer Response
- k Final Remarks

# **Review Summary**

### Sickle

Sickle provides an extensible on-chain account. This on-chain account uses protocol-provided strategies to perform various on-chain functions, such as farming, sweeping tokens, or taking flash loans. The strategies themselves use shared modules and connectors to interact with defi protocols. This audit also included a new governance system, although there are no immediate plans to use it at this time.

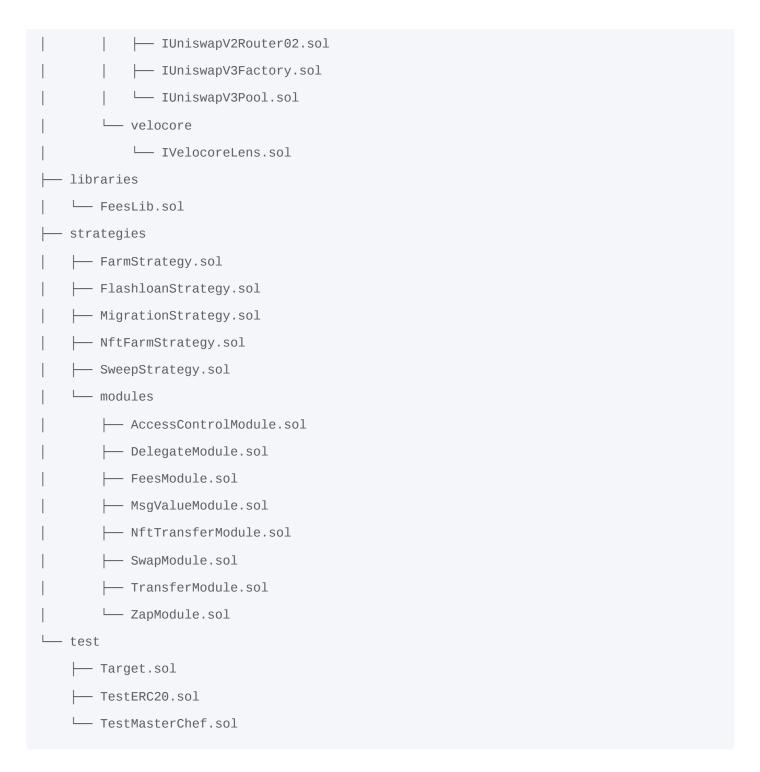
The contracts of the Sickle Repo were reviewed over 15 days. Two auditors performed the code review between April 15, 2024 and May 3, 2024. The repository was under active development during the review, but the review was limited to the latest commit at the start of the review. This was commit 4f21de8cc1269dfbc05a3eeb5e792ec82012f11d for the sickle-contracts repo.

## Scope

The scope of the review consisted of the following contracts at the specific commit:

├─ Compounder.sol ├─ ConnectorRegistry.sol ├─ Sickle.sol ├─ SickleFactory.sol SickleRegistry.sol ├─ base ├─ Admin.sol ├─ Multicall.sol ├─ NonDelegateMulticall.sol - connectors ─ AerodromeGaugeConnector.sol AerodromeRouterConnector.sol CompoundMarketConnector.sol ├─ ComptrollerConnector.sol ├─ ComptrollerRegistry.sol ├─ Curve2TokenConnector.sol ├─ Curve2TokenConnectorInt128.sol — CurveDepositor3Connector.sol EqualizerGaugeConnector.sol EqualizerRouterConnector.sol ├─ GaugeRegistry.sol ├─ MasterChefConnector.sol MasterChefWithReferrerConnector.sol ├─ MasterchefV3Connector.sol ├─ ParaswapConnector.sol ├─ PrismaConnector.sol ├─ UniswapV2Connector.sol ├─ UniswapV3Connector.sol ├── UniswapV3PoolRegistry.sol └── VelocoreConnector.sol - governance SickleGovernor.sol └─ SickleVote.sol

├── interfaces
— IFarmConnector.sol
ILendingConnector.sol
— ILiquidityConnector.sol
external
IERC20PermitAllowed.sol
IMasterChef.sol
IMasterchefV3.sol
IWETH.sol
│
Gauge.sol
IPoolFactory.sol
IRouter.sol
│
CTokenInterfaces.sol
ComptrollerInterface.sol
ComptrollerStorage.sol
EIP20NonStandardInterface.sol
ErrorReporter.sol
IRewardDistributor.sol
├── equalizer
EqualizerGauge.sol
LangualizerRouter.sol
— flashloans
IBalancerVault.sol
IFlashLoanReceiver.sol
ILendingPoolV2.sol
IPoolV3.sol
ISwapRouter.sol
IUniswapV2Factory.sol
│



After the findings were presented to the Sickle team, fixes were made and included in several PRs.

This review is a code review to identify potential vulnerabilities in the code. The reviewers did not investigate security practices or operational security and assumed that privileged accounts could be trusted. The reviewers did not evaluate the security of the code relative to a standard or specification. The review may not have identified all potential attack vectors or areas of vulnerability.

yAudit and the auditors make no warranties regarding the security of the code and do not warrant that the code is free from defects. yAudit and the auditors do not represent nor imply to third parties that the code has been audited nor that the code is free from defects. By deploying or using the code, vfat, and users of the contracts agree to use the code at their own risk.

# **Code Evaluation Matrix**

Category	Mark	Description
Access Control	Good	One of the challenges in attacking the Sickle protocol is that the Sickles are partitioned by user and only whitelisted strategies can multi-call into the Sickles.  These whitelisted strategies can only interact with whitelisted connectors.
Mathematics	Good	There are very few complex mathematical operations in the code reviewed.
Complexity	Medium	There is complexity around the number of protocols that Sickles are expected to interact with and the interaction between Sickles, Strategies, and Connectors.
Libraries	Good	The Sickle project makes good use of well-known libraries.
Decentralization	Medium	When a Sickle is deployed, it is largely owned by a user. However, the list of Strategies and Connectors allowed to interact with a Sickle is controlled entirely by the protocol team. At some point in the future, this whitelisting privilege may be transferred to a contract with on-chain voting capabilities.
Code stability	Medium	The repository was actively developed during the review. A follow-up audit was scheduled for new code developed by the team during this audit.
Documentation	Low	No documentation was provided besides the README in the repo. However, some of the functions are documented using NatSpec.

Category	Mark	Description
Monit oring	Low	Few of the functions emit events.
Testing and verification	Good	The project has 95% line and function coverage and 73% branch coverage. In addition, many of the test functions are fuzzed.

# **Findings Explanation**

Findings are broken down into sections by their respective impact:

- Critical, High, Medium, Low Impact
  - These findings range from attacks that may cause loss of funds, impact control/ownership of the contracts, or cause any unintended consequences/actions that are outside the scope of the requirements.
- Gas savings
  - Findings that can improve the gas efficiency of the contracts.
- Informational
  - Findings including recommendations and best practices.

# **Critical Findings**

None.

# **High Findings**

1. High - MasterchefV3Connector deposits can be blocked

### **Technical Details**

In Masterchefv3Connector's deposit() there is a check if the balance of the sickle is equal to 1, and if not, a revert occurs. This can be DOS'd by minting NFTs to the sickle address such that a sickle can never deposit.

See the following POC using Pancakev3.t.sol for setup:

```
function test_brick_deposit() public {
        // a random address w/ a lot of usdc and usdt
        address usdc_whale = 0x40ec5B33f54e0E8A33A975908C5BA1c14e5BbbDf;
       vm.startPrank(usdc_whale);
        // usdc but could be any token
IERC20(0xA0b86991c6218b36c1d19D4a2e9Eb0cE3606eB48).approve(address(Pancake.NFT_MANAGER),
type(uint256).max);
       // usdt but could be any token
SafeERC20.safeIncreaseAllowance(IERC20(0xdAC17F958D2ee523a2206206994597C13D831ec7),
address(Pancake.NFT_MANAGER), type(uint256).max);
        INonfungiblePositionManager.MintParams memory params =
INonfungiblePositionManager.MintParams({
            token0: address(0xA0b86991c6218b36c1d19D4a2e9Eb0cE3606eB48),
            token1: address(0xdAC17F958D2ee523a2206206994597C13D831ec7),
            fee: 100,
            tickLower: -9,
            tickUpper: 12,
            amount@Desired: 6177807, // can be smaller than this, some random amount
taken from an on-chain tx.
            amount1Desired: 7399999,
            amount@Min: 0,
            amount1Min: 0,
            recipient: address(ctx.sickle), // mint to the sickle so it can't be
deposited to anymore
            deadline: block.timestamp + 60
       });
        INonfungiblePositionManager(Pancake.NFT_MANAGER).mint(params);
        vm.stopPrank();
        // reverts w/ SickleNftBalanceError()
```

```
test_deposit_DepositsUsingETH(1 ether);
}
```

High. Sickles can be blocked from depositing into Masterchef V3 contracts.

#### Recommendation

Remove the revert and allow the user to supply the index and tokenId of the token they want to deposit using the extraData.

### **Developer Response**

This was a known issue but considered low severity because attackers have no incentive to perform this attack: NFTs can be swept from Sickles, and new amended connectors can be deployed if there are grief attacks on the old ones.

That said, the proposed solution made sense, we aren't able to supply the tokenld but can supply the user's previous balance of NFTs, which is also going to be the <u>index</u> of the next NFT. Typically a user has 0 NFTs, so the index of the first NFT is 0.

This has been implemented in this commit <a href="https://github.com/vfat-io/sickle-contracts/commit/flb09b69f9896f4008a5357fbbc72ecedf938d26">https://github.com/vfat-io/sickle-contracts/commit/flb09b69f9896f4008a5357fbbc72ecedf938d26</a>

# **Medium Findings**

# 1. Medium - Fees can be bypassed by passing a token with no balance as a token or tokenout

### **Technical Details**

When fees are charged in \_sickle\_charge\_fees(), the balance of tokenOut is checked as the feeBasis. However, in various strategies such as FarmStrategy's compound() when no zap is needed, the tokenIn or tokenOut is not used. This means that any value can be used here. If a tokenOut with no balance is supplied, the feeBasis will be 0, avoiding fees.

See the following POC, which is AerodromeStrategy.t.sol's test\_compound\_CompoundsIntoSamePool() test, replacing the tokenIn with 0xEeeeeEeeeEeEeEeEeEEEEeeeEEEeeeeEEeeeeEeee and only compounding once.

```
function test_feeBypassWithETH() public {
        uint256 amountIn = 1 ether;
        test_deposit_DepositsUsingETH(amountIn);
       vm.prank(Org.COLLECTOR);
       IERC20(Base.VAMM_WETH_DAI).approve(
            address(ctx.collectorSickle), type(uint256).max
        );
       vm.startPrank(sickleOwner);
       vm.roll(6_422_188 + 60_000);
       vm.warp(block.timestamp + 120_000); // AERO rewards are calculated based
        // on block.timestamp
       uint256 balanceBefore =
            IGauge(Base.WETH_DAI_GAUGE).balanceOf(address(ctx.sickle));
       uint256 earned = IGauge(Base.WETH_DAI_GAUGE).earned(address(ctx.sickle));
       SwapData[] memory swaps = new SwapData[](2);
       swaps[0] =
            _getSwapData(Base.AERO, Base.WETH, false, earned * 9910 / 10_000);
       uint256 intermediateEstimate = _estimateIntermediateAmount(
            Base.VAMM_AERO_WETH, Base.AERO, earned * 9910 / 10_000
        );
       uint256 swapInEstimate = _estimateSwapInAmount(
            Base.VAMM_WETH_DAI, false, Base.WETH, intermediateEstimate
        );
        swaps[1] = _getSwapData(Base.WETH, Base.DAI, false, swapInEstimate);
```

```
ZapModule.ZapInData memory zapData = ZapModule.ZapInData({
    tokenIn: 0xEeeeeEeeeEeEeEeEeEeEeEeEeEe,
    amountIn: earned,
    swaps: swaps,
    addLiquidityData: _getAerodromeAddLiquidityData(
        Base.VAMM_WETH_DAI, Base.WETH, Base.DAI, false
});
uint256 collectorBalanceBeforeCompoundFee = ctx.registry.collector().balance;
farmStrategy.compound(
    address(ctx.sickle),
    Base.WETH_DAI_GAUGE,
    Base.WETH_DAI_GAUGE,
    zapData,
    шп,
    \mathbf{H}^{\mathbf{H}}
);
uint256 balanceAfter =
    IGauge(Base.WETH_DAI_GAUGE).balanceOf(address(ctx.sickle));
// the user's balance increased as expected
assertGt(balanceAfter, balanceBefore);
uint256 collectorBalanceAfterCompoundFee = ctx.registry.collector().balance;
// the collector's balance remains unchanged. No fee has been paid
assertEq(
    \verb|collectorBalanceAfterCompoundFee| collectorBalanceBeforeCompoundFee|
);
```

Medium

### Recommendation

Pass the token used in whatever operation is performed to \_sickle\_charge\_fees() rather than always tokenIn or tokenOut.

### **Developer Response**

We are aware of these vectors but there is no straightforward mitigation, for example the contracts are typically not aware of the output tokens of any zaps as we use opaque aggregators. For the time being we are taking the idealistic approach that we are offering a valuable service to users and our fees are fairly priced. In the future if we notice abuse of this capability we can look at possible strategies to prohibit or diminish it.

# **Low Findings**

### 1. Low - Wrapped native tokens may stay in sickle after compoundFor().

### **Technical Details**

compoundFor() is intended to be called by someone other than the sickle owner. To compensate the caller for their gas used, a feezapData is passed in. This data is used to swap into the wrapped native token of the network, unwrap this wrapped native token, and return the value to msg.sender. However, estimateCost is passed here, rather than the sickle's balance of the wrapped native token. Suppose a wrapped native token balance greater than estimateCost is received during the swap. In that case, this excess wrapped native balance may be stuck in the sickle, depending on whether the wrapped native token is in the addLiquidityData.tokens list or not.

### **Impact**

Low. If this occurs, the user can recover the wrapped native tokens using the sweepstrategy.

#### Recommendation

Sweep any leftover wrapped native tokens back to the user as is done for any other dust left in the sickle at the end of compoundFor().

### **Developer Response**

This has been refactored in main with the addition of a sweepTokens array to the call params: https://github.com/vfat-io/sickle-

contracts/blob/main/contracts/strategies/FarmStrategy.sol#L147 https://github.com/vfat-io/sickle-contracts/commit/82e74dffaebf49605bffbf6e8b7491c85a489f37#diff-284157fe21efb2c4e53c03b657f7fcc839c90f2ccf1cacd31b192a2cc669f112R44

### 2. Low - Sickles may execute arbitrary calls

A Sickle can be made to execute an arbitrary external call to any target with any calldata.

#### **Technical Details**

By leveraging ParaswapConnector.swapExactTokensForTokens, a Sickle owner can execute any arbitrary call by calling into FarmStrategy.harvest() with a carefully constructed payload. In particular, such a payload must contain a ZapData.swaps array that encodes the parameters of the to-be-executed arbitrary call.

Following is a PoC of how a Sickle can be made to deploy another Sickle, becoming its admin: gist

### **Impact**

Low.

#### Recommendation

Impose strict checks on the call executed by Paraswap Connector, whitelisting calls to their Augustus Swapper contract.

### **Developer Response**

This has been refactored in main with the addition of an immutable router address https://github.com/vfat-io/sickle-contracts/blob/main/contracts/connectors/AggregatorConnector.sol#L14 https://github.com/vfat-io/sickle-contracts/commit/e33f97070418ad9b2e84e4698bf6ae8a787441da

### 3. Low - ZapModule fails to verify value consistency among redundant fields

ZapModule.zapIn() and ZapModule.zapOut() doesn't enforce some consistency requirements between redundant fields.

zapModule.zapIn() and zapModule.zapOut() respectively accept a ZapInData and ZapOutData struct as an argument. Both methods fail to verify that zapData.amountIn == zapData.swaps[0].amountIn. Furthermore, they lack checks to verify that tokenIn or tokenOut matches the first or last token of the swap path specified by zapData.swaps.

Notice that this issue, in combination with the fee-bypass issue, enables users to bypass entirely any zap fee charged by protocol, as they can forward the tokens with an external transfer and get ZapModule to swap those tokens, while not enforcing that tokenIn or tokenOut match the swap origin or destination asset.

### **Impact**

Low.

### Recommendation

Eliminate redundant fields from the cited structs or enforce them to have consistent values.

### **Developer Response**

We have refactored this as well in main, probably best for it to be reviewed in the addendum audit as most structs have been changed. For instance zapln/zapOutData no longer have tokenln/amountIn tokenOut/amountOut. https://github.com/vfat-io/sickle-contracts/blob/main/contracts/strategies/modules/ZapModule.sol#L12 https://github.com/vfat-io/sickle-contracts/commit/3f97a12ef813f98c0803f0c5401302356a9f3b81

# **Gas Saving Findings**

### 1. Gas - Cache array length when iterating over it

When iterating over a storage array, caching its length in a variable is less expensive than accessing it from storage.

### **Technical Details**

Given that caching the array length in a variable avoids having to access the contract's storage at each iteration, the gas cost of a for loop can be noticeably reduced, as can be seen in the following PoC

This optimization can be implemented at:

- ConnectorRegistry.sol#L38
- ConnectorRegistry.sol#L71
- ConnectorRegistry.sol#L95

Gas savings.

#### Recommendation

Implement the suggested optimization.

### **Developer Response**

Amended here <a href="https://github.com/vfat-io/sickle-contracts/pull/210/commits/2124ed0f5819f175eb39d76f94f739bddad3eb86">https://github.com/vfat-io/sickle-contracts/pull/210/commits/2124ed0f5819f175eb39d76f94f739bddad3eb86</a>

### 2. Gas - Store custom registries as a map

#### **Technical Details**

In ConnectorRegistry, custom connectors are added by pushing to the customRegistries list. Later, when iscustomRegistry() is called, the customRegistries list is iterated to check whether a given target is in the customRegistries list. If the target was also stored as a mapping, this lookup could be done in constant time.

### **Impact**

Gas.

### Recommendation

When adding a custom registry, store it as a mapping for fast look-up.

### **Developer Response**

Amended here <a href="https://github.com/vfat-io/sickle-contracts/pull/210/commits/2124ed0f5819f175eb39d76f94f739bddad3eb86">https://github.com/vfat-io/sickle-contracts/pull/210/commits/2124ed0f5819f175eb39d76f94f739bddad3eb86</a>

### 3. Gas - Avoid writing default values

Explicitly writing default values to variables consumes unnecessary gas.

#### **Technical Details**

Writing a default value to a variable is generally avoidable to save writes to memory/storage.

Avoid writing the default value in the following code locations:

• FlashloanStrategy.sol#L115

### **Impact**

Gas savings.

### Recommendation

Implement the suggested changes.

### **Developer Response**

Acknowledged but I think this looks better being explicit when its an enum, plus being in the constructor it is a one off cost.

# **Informational Findings**

### 1. Informational - Missing event emissions

Important state changes should be followed by an event emission to improve the ability to monitor and analyze a contract's state through time.

### **Technical Details**

- Compounder.setApprovedCompounder() should emit an event.
- Compounder.compoundFor() could emit an event upon a successful call.

### **Impact**

Informational.

### Recommendation

Add suggested event logs.

### **Developer Response**

Added here https://github.com/vfat-io/sickle-contracts/commit/aa8dd66d92eed6c265e9d356172b88b0b8841lb1

### 2. Informational - Unused imports

Unused imports may be removed to reduce contract size and reduce a contract's deployment cost.

The following imports aren't used:

- SickleStorage.sol#L6
- AerodromeRouterConnector.sol#L6
- ComptrollerConnector.sol#L6
- EqualizerRouterConnector.sol#L6
- MasterChefWithReferrerConnector.sol#L5
- FarmStrategy.sol#L9
- FeesLib.sol#L5
- SickleGovernor.sol#12

### **Impact**

Informational.

### Recommendation

Remove unused imports.

### **Developer Response**

Removed here <a href="https://github.com/vfat-io/sickle-contracts/commit/0733fc270e62634823d859721121e98fd323d182">https://github.com/vfat-io/sickle-contracts/commit/0733fc270e62634823d859721121e98fd323d182</a>

# 3. Informational - Upgrade OpenZeppelin dependency

The OpenZeppelin contracts dependency is on version 4.8.3, which is outdated. Consider updating to a newer version.

OpenZeppelin library v4.8.3 is not the latest version available. Consider upgrading to v4.9.6, which fixes some issues in v4.8.3. In particular, v4.9.4 mitigates the Multicall + ERC2771 issue.

### **Impact**

Informational.

#### Recommendation

Update the OpenZeppelin dependency to include the latest fixes to their contracts.

### **Developer Response**

Addressed in https://github.com/vfat-io/sickle-contracts/pull/213

4. Informational - Use msg.sender to retrieve sickle in FarmStrategy's compound()

### **Technical Details**

The paradigm in the Farmstrategy is to use msg.sender to retrieve the user's sickle from the factory before interacting with it, except for compoundFor() which is intended to be called by someone other than the sickle's owner.

```
Sickle sickle = Sickle(payable(factory.sickles(msg.sender)));
```

This paradigm is not followed in <code>compound()</code> even though it is intended to be called by the sickle's owner, unlike <code>compoundFor()</code>.

### **Impact**

Informational.

#### Recommendation

For consistency's sake, use the same paradigm as the other functions in FarmStrategy that retrieve the user's sickle from the factory.

#### **Developer Response**

Removed here https://github.com/vfat-io/sicklecontracts/commit/dd2ceeec072e8714a3594c4ff0e6c19d8856c76c#diff-284157fe21efb2c4e53c03b657f7fcc839c90f2ccf1cacd31b192a2cc669f112R138

**5. Informational -** \_transferAssets() can be used in place of loops in FlashloanStrategy

In FlashloanStrategy's \_uniswapCallback() a \_transferAssets() function is used to transfer assets to the sickle, and back to the flash loan provider.

This function can be re-used in any flash loan callback that involves the transfer of multiple assets to the sickle and back to the flash loan provider, such as executeOperation()

### Impact

Informational.

### Recommendation

Re-use the existing \_transferAssets() function rather than repeating code.

### **Developer Response**

Amended here <a href="https://github.com/vfat-io/sickle-contracts/commit/0cec69d80dbecfa27ff81a0736cc9590432fac0c">https://github.com/vfat-io/sickle-contracts/commit/0cec69d80dbecfa27ff81a0736cc9590432fac0c</a>

### 6. Informational - Curve token connectors can have their swaps sandwiched

#### Technical Details

As part of the swapExactTokensForTokens() implementation of the two Curve connectors, if the balance of the sickle is less than the swapData.amountIn, a new minAmountOut is calculated as follows:

```
swapData.minAmountOut = swapData.minAmountOut * balance / swapData.amountIn * 999 / 1000;
```

Depending on the values of swapData.minAmountOut, balance, and swapData.amountIn, this could round down 0, leaving the swap with no slippage protection.

Informational, since according to the team, the Curve connectors are only used for testing.

### Recommendation

If the newly calculated minAmountOut rounds down to 0, revert.

### **Developer Response**

Acknowledged but no action required as these swaps were added for testing purposes, production swaps use aggregators.

### 7. Informational - Prisma rewards may get stuck

Rewards accrued by a Sickle in Prisma can get temporarily stuck.

### Technical Details

Given that PrismaConnector.claim() attempts to call TokenLocker.withdrawWithPenalty() if the user has accrued more than 1e18 PRISMA and that Prisma's TokenLocker.sol may disable penalty withdrawals voluntarily, some users may have their CRV and PRISMA rewards locked temporarily until the Prisma team enables penalty withdrawals again, or requiring the Sickle team to deploy a new connector that avoids such call altogether.

### Impact

Informational. Rare cases will lead to momentarily locked rewards.

### Recommendation

Enable the users to select whether the locker.withdrawWithPenalty() call should be executed or not based on an input flag they provide.

### **Developer Response**

Acknowledged but no action required for the reason stated (momentary nature of the issue).

### **Final Remarks**

The architecture of Sickles makes it challenging to steal funds from users, as Sickles utilize the minimum amount of storage needed while also minimizing the funds held by the Sickle itself. However, a few attack vectors exist to DOS a Sickle or avoid paying the protocol fees. In general, the team put thought into protecting users and wrote an adequate test suite, also utilizing fuzz tests.

The CompoundV2Migrator.sol and CompoundV2Strategy.sol files were included in the repo at the commit reviewed. However, after the audit started, these files were deemed out of scope, and thus, any issues found in these contracts were omitted from this report.