



Three Sigma

Code Audit



Singularity

Singularity

KYB/KYC'd confidential
DeFi infrastructure layer

Disclaimer

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Disclaimer

The ensuing audit offers no assertions or assurances about the code's security. It cannot be deemed an adequate judgment of the contract's correctness on its own. The authors of this audit present it solely as an informational exercise, reporting the thorough research involved in the secure development of the intended contracts, and make no material claims or guarantees regarding the contract's post-deployment operation. The authors of this report disclaim all liability for all kinds of potential consequences of the contract's deployment or use. Due to the possibility of human error occurring during the code's manual review process, we advise the client team to commission several independent audits in addition to a public bug bounty program.

Table of Contents

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Table of Contents

Disclaimer	3
Summary	8
Scope	10
Methodology	13
Project Dashboard	15
Code Maturity Evaluation	18
Findings	21
3S-SG-C01	21
3S-SG-C02	22
3S-SG-C03	23
3S-SG-C04	24
3S-SG-C05	25
3S-SG-C06	26
3S-SG-C07	27
3S-SG-H01	28
3S-SG-H02	29
3S-SG-H03	30
3S-SG-H04	31
3S-SG-H05	32
3S-SG-H06	33
3S-SG-H07	34
3S-SG-H08	35
3S-SG-H09	36
3S-SG-H10	37
3S-SG-M01	38
3S-SG-M02	39
3S-SG-M03	40
3S-SG-M04	41
3S-SG-M05	42
3S-SG-L01	43
3S-SG-L02	44
3S-SG-L03	45
3S-SG-L04	46
3S-SG-L05	47
3S-SG-L06	48
3S-SG-L07	49
3S-SG-L08	50
3S-SG-L09	51
3S-SG-N01	52
3S-SG-N02	53

3S-SG-N03	54
3S-SG-N04	55
3S-SG-N05	56
3S-SG-N06	57
3S-SG-N07	58
3S-SG-N08	59
3S-SG-N09	60
3S-SG-N10	61
3S-SG-N11	62

Summary

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Summary

Three Sigma Labs audited Singularity in a 18 person week engagement. The audit was conducted from 26-02-2024 to 19-04-2024 and 05-06-2024 to 15-06-2024.

Protocol Description

Singularity is a KYC/KYB enabled modular confidential DeFi infrastructure integrated with major DeFi protocols so users can leverage existing on-chain liquidity while their on-chain actions remain obfuscated. Singularity primary users are institutional funds or individuals who want to preserve commercial confidentiality on-chain. Singularity uses the UltraPLONK proof system with zero-knowledge circuits based on Noir.

00000000	01 00 00 00 00 00 00 00	00 00 00 00 00 00 00 00	
00000010	00 00 00 00 00 00 00 00	00 00 00 00 00 00 00 00	
00000020	00 00 00 00 3B A3 ED FD	7A 7B 12 B2 7A C7 2C 3E	:Éiýz{.
00000030	67 76 8F 61 7F C8 1B C3	88 8A 51 32 3A 9F B8 AA	gv.a.È.Ã~SQ
00000040	4B 1E 5E 4A 29 AB 5F 49	FF FF 00 1D 1D AC 2B 7C	K.^J)«_Iyy.
00000050	01 01 00 00 00 01 00 00	00 00 00 00 00 00 00 00	
00000060	00 00 00 00 00 00 00 00	00 00 00 00 00 00 00 00	
00000070	00 00 00 00 00 00 FF FF	FF FF 4D 04 FF FF 00 1D	ÿÿÿÿM
00000080	01 04 45 54 68 65 20 54	69 6D 65 73 20 30 33 2F	..EThe Tim
00000090	4A 61 6E 2F 32 30 30 39	20 43 68 61 6E 63 65 6C	Jan/2009 CH
000000A0	6C 6F 72 20 6F 6E 20 62	72 69 6E 6B 20 6F 66 20	lor on brin
000000B0	73 65 63 6F 6E 64 20 62	61 69 6C 6F 75 74 20 66	second bail
000000C0	6F 72 20 62 61 6E 6B 73	FF FF FF FF 01 00 F2 05	or banksÿÿÿÿ
000000D0	2A 01 00 00 00 43 41 04	67 8A FD B0 FE 55 48 27	*....CA.gŠý
000000E0	19 67 F1 A6 71 30 B7 10	5C D6 A8 28 E0 39 09 A6	.gñ q0·.\Ö"
000000F0	79 62 E0 EA 1F 61 DE B6	49 F6 BC 3F 4C EF 38 C4	ybaê.ab¶IÖ%
00000100	F3 55 04 E5 1E C1 12 DE	5C 38 4D F7 BA 0B 8D 57	óU.ã.Á.Þ\8M
00000110	8A 4C 70 2B 6B F1 1D 5F	AC 00 00 00 00	ŠLp+kñ._~..
00000000	30 31 30 30 30 30 30 30	36 66 65 32 38 63 30 61	0100000006f
00000010	66 31 62 33 37 32	63 31 61 36 61 32 34 36	b6f1b3726c1
00000020	66 36 33 66 37 34 66	39 33 31 65 38 33 36 35	ae63f7f4639
00000030	65 31 35 61 30 38 39 63	36 38 64 36 31 39 30 30	e15a089c638
00000040	30 30 30 30 30 30 30 30	39 38 32 30 35 31 66 64	00000009820
00000050	31 66 34 34 34 34 34 34	34 34 34 34 34 34 34 34	1e4b7445bb
00000060	31 66 65 65 31 34 36 37	37 62 61 31 61 33 63 33	1fee1456376
00000070	35 34 30 62 66 37 62 31	63 64 62 36 30 36 65 38	5400bfb1bcd
00000080	35 37 32 33 33 65 30 65	36 31 62 63 36 36 34 39	57233e0e6bc
00000090	66 66 66 66 30 30 31 64	30 31 65 33 36 32 39 39	fff0001d01e
000000A0	30 31 30 31 30 30 30 30	30 30 30 31 30 30 30 30	01010000000
000000B0	30 30 30 30 30 30 30 30	30 30 30 30 30 30 30 30	00000000000
000000C0	30 30 30 30 30 30 30 30	30 30 30 30 30 30 30 30	00000000000
000000D0	30 30 30 30 30 30 30 30	30 30 30 30 30 30 30 30	00000000000
000000E0	30 30 30 30 30 30 30 30	30 30 30 30 66 66 66 66	00000000000
000000F0	66 66 66 66 30 37 30 34	66 66 66 66 30 30 31 64	ffff074ffff
00000100	30 31 30 34 66 66 66 66	66 66 66 66 30 31 30 30	0104ffffffffff
00000110	66 32 30 35 32 61 30 31	30 30 30 30 30 30 34 33	f2052a01000
00000120	34 31 30 34 39 36 62 35	33 38 65 38 35 33 35 31	4104946b538
00000130	39 63 37 32 36 61 32 63	39 31 65 36 31 65 63 31	9c726ac91e6
00000140	31 36 30 30 61 65 31 33	39 30 38 31 33 61 36 32	16000ae1390
00000150	37 63 36 36 66 62 38 62	65 37 39 34 37 62 65 36	7c66fb8be79
00000160	33 63 35 32 64 61 37 35	38 39 33 37 39 35 31 35	3c52da73589
00000170	64 34 65 30 61 36 30 34	66 38 31 34 31 37 38 31	d4e0a646381
00000180	65 36 32 32 39 34 37 32	31 31 36 36 62 66 36 32	e6224947321
00000190	31 65 37 33 61 38 32 63	62 66 32 33 34 32 63 38	1e73a823cbf
000001A0	35 38 65 65 61 63 30 30	30 30 30 30 30 30	58eacc00000
00000000	30 31 30 30 30 30 30 30	34 38 36 30 65 62 31 38	01000000486

Scope

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Scope

Circuits

Filepath	nLOC
circuits/curve_add_liquidity/src/main.nr	109
circuits/curve_exchange/src/main.nr	43
circuits/curve_multi_exchange/src/main.nr	43
circuits/curve_remove_liquidity/src/main.nr	77
circuits/deposit/src/main.nr	23
circuits/fuzk/src/lib.nr	213
circuits/join_split/src/main.nr	88
circuits/join/src/main.nr	77
circuits/split/src/main.nr	65
circuits/swap/src/main.nr	53
circuits/transfer/src/main.nr	52
circuits/uniswap_collect_fees/src/main.nr	53
circuits/uniswap_lp/src/main.nr	67
circuits/uniswap_remove_liquidity/src/main.nr	60
circuits/uniswap_swap/src/main.nr	41
circuits/withdraw/src/main.nr	39
circuits/zk_lock_asset/src/main.nr	28
circuits/zk_lock_note/src/main.nr	55
circuits/zk_unlock_note/main.mr	55
SUM	1241

Smart Contracts

Filepath	nLOC
contracts/core/base/BaseAssetManager.sol	205
contracts/core/base/BaseAssetPool.sol	39
contracts/core/base/BaseInputBuilder.sol	10
contracts/core/DarkpoolAssetManager.sol	346
contracts/core/DarkpoolInputBuilder.sol	121
contracts/core/FeeManager.sol	110

Filepath	nLOC
contracts/core/KeyringManager.sol	48
contracts/core/MerkleTreeOperator.sol	150
contracts/core/pools/ERC20AssetPool.sol	32
contracts/core/pools/ERC721AssetPool.sol	37
contracts/core/pools/ETHAssetPool.sol	22
contracts/core/RelayerHub.sol	26
contracts/core/VerifierHub.sol	56
contracts/defi/curve/CurveAssetManagerHelper.sol	70
contracts/defi/curve/CurveCPAssetManager.sol	571
contracts/defi/curve/CurveInputBuilder.sol	103
contracts/defi/curve/CurveMultiExchangeAssetManager.sol	203
contracts/defi/curve/CurveSingleExchangeAssetManager.sol	180
contracts/defi/curve/CurveSLPAssetManager.sol	597
contracts/defi/curve/CurveSPPAssetManager.sol	557
contracts/defi/uniswap/libraries/PoolAddress.sol	40
contracts/defi/uniswap/UniswapAssetManager.sol	831
contracts/defi/uniswap/UniswapInputBuilder.sol	107
contracts/staking/StakingAssetManager.sol	343
contracts/staking/StakingOperator.sol	76
contracts/staking/StakingInputBuilder.sol	69
contracts/staking/ZKToken.sol	31
SUM	4980

Assumptions

External libraries such as OpenZeppelin are considered safe.

Methodology

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Methodology

To begin, we reasoned meticulously about the contract's business logic, checking security-critical features to ensure that there were no gaps in the business logic and/or inconsistencies between the aforementioned logic and the implementation. Second, we thoroughly examined the code for known security flaws and attack vectors. Finally, we discussed the most catastrophic situations with the team and reasoned backwards to ensure they are not reachable in any unintentional form.

Taxonomy

In this audit we report our findings using as a guideline Immunefi's vulnerability taxonomy, which can be found at immunefi.com/severity-updated/. The final classification takes into account the severity, according to the previous link, and likelihood of the exploit. The following table summarizes the general expected classification according to severity and likelihood; however, each issue will be evaluated on a case-by-case basis and may not strictly follow it.

Severity / Likelihood	LOW	MEDIUM	HIGH
NONE	None		
LOW	Low		
MEDIUM	Low	Medium	Medium
HIGH	Medium	High	High
CRITICAL	High	Critical	Critical

Project Dashboard

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Project Dashboard

Application Summary

Name	Singularity
Commit	4018a576c5f38a2dbf5ef128bc33195f37827273 16dc59f060f16a9d281f5bb1501205fbffa4562a
Language	Solidity and Noir
Platform	Ethereum

Engagement Summary

Timeline	26-02-2024 to 19-04-2024 and 05-06-2024 to 15-06-2024
Nº of Auditors	2
Review Time	18 person weeks

Issue Classification	Found	Addressed	Acknowledged
Critical	7	7	0
High	10	10	0
Medium	5	3	2
Low	9	7	2
None	11	11	0

Category Breakdown

Suggestion	8
Documentation	0
Bug	28
Optimization	3
Good Code Practices	3

Code Maturity Evaluation

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Code Maturity Evaluation

Code Maturity Evaluation Guidelines

Category	Evaluation
Access Controls	The use of robust access controls to handle identification and authorization and to ensure safe interactions with the system.
Arithmetic	The proper use of mathematical operations and semantics.
Centralization	The presence of a decentralized governance structure for mitigating insider threats and managing risks posed by contract upgrades
Code Stability	The extent to which the code was altered during the audit.
Upgradeability	The presence of parameterizations of the system that allow modifications after deployment.
Function Composition	The functions are generally small and have clear purposes.
Front-Running	The system's resistance to front-running attacks.
Monitoring	All operations that change the state of the system emit events, making it simple to monitor the state of the system. These events need to be correctly emitted.
Specification	The presence of comprehensive and readable codebase documentation.
Testing and Verification	The presence of robust testing procedures (e.g., unit tests, integration tests, and verification methods) and sufficient test coverage.

Code Maturity Evaluation Results

Category	Evaluation
Access Controls	Satisfactory. The codebase has a strong access control mechanism.
Arithmetic	Satisfactory. The codebase uses Solidity version >0.8.0 as well as takes the correct measures in rounding the results of arithmetic operations.
Centralization	Satisfactory. The owner does not have significant control over the funds.
Code Stability	Satisfactory. No new functionality was being added throughout the audit.
Upgradeability	Weak. The protocol is not upgradeable.
Function Composition	Moderate. Functionality was well split into functions, but the codebase has significant code duplication.
Front-Running	Satisfactory. No significant frontrunning opportunities were found.
Monitoring	Satisfactory. Events are correctly emitted for the most significant state changes.
Specification	Satisfactory. The code matched the design specifications.
Testing and Verification	Moderate. Unit tests were present for most functionality but fuzzing and invariant tests could be performed.

Findings

Code Audit

Singularity KYB/KYC'd confidential DeFi infrastructure layer

Findings

3S-SG-C01

In **StakingAssetManager::lockERC20()** the resulting note is created with **asset** instead of **zkToken**

Id	3S-SG-C01
Classification	Critical
Severity	Critical
Likelihood	High
Category	Bug
Status	Addressed in #ab8b4b9 .

Description

Users can transfer tokens to the **StakingAssetManager** in return for a note commitment of the corresponding **zkToken**. However, **StakingAssetManager::lockERC20()** builds the note using **args.asset**, which is the asset itself, which will lead to problems (will not be able to unlock).

Recommendation

Build the note using **zkToken** instead.

3S-SG-C02

MerkleRoot is not validated in all **StakingAssetManager** functions

Id	3S-SG-C02
Classification	Critical
Severity	Critical
Likelihood	High
Category	Bug
Status	Addressed in #5520165 .

Description

All functions that require a merkle root to verify note inclusion must validate that the merkle root is valid. Otherwise, attackers can forge a merkle root that includes a fake note and steal all assets.

Recommendation

Validate that the provided Merkle Root is valid.

3S-SG-C03

Checks-effects-interactions pattern is not always followed, which can be used to drain all tokens

Id	3S-SG-C03
Classification	Critical
Severity	Critical
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

[Here](#) is a writeup about the pattern. Essentially state changes should be handled before interacting with external contracts (for example, when sending **ETH** via `.call()`, to avoid reentrancy.

[Here](#) is an example of the code not following it. `_postWithdraw()` should happen before sending **ETH**. So a user can call `withdrawETH()`, get execution when the **ETH** is sent, use the same note commitment (still not marked used) to swap on uniswap and double spend. This can be done in a loop to drain all tokens.

Recommendation

Ensure that the codebase follows this pattern.

3S-SG-C04

Curve multi exchange does not validate **assetIn** and **assetOut** against **route**

Id	3S-SG-C04
Classification	Critical
Severity	Critical
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

CurveMultiExchangeAssetManager::curveMultiExchange() receives arguments **assetIn**, **assetOut** and **route**. Route is defined as **Array of [initial token, pool or zap, token, pool or zap, token, ...]**.

The **CurveRouter::exchange()** assumes the **assetIn** is **route[0]** and **assetOut** is the last non null address in **route** that represents a token out. This means one of the indexes 2, 4, 6, 8, 10, depending on which one precedes a null.

Thus, knowing that this validation is missing, it's possible to specify an **assetOut** of a valuable token, but place in the route a fake coin. By doing so, and introducing a malicious pool to swap, the exchange contract will receive a large amount of fake coins, returning this amount, but the **CurveMultiExchangeAssetManager** will think it is **assetOut** instead.

The transaction could still revert when transferring **assetOut**, as the exchange did not actually send the real **assetOut**, but it won't due to issue #12. However, the deposit note is still created and the funds can be stolen.

[Here](#) is a poc.

Recommendation

Validate **assetIn** and **assetOut** against the route.

assetIn should be **route[0]** and **assetOut** should match the last non null token index, as described above.

3S-SG-C05

DarkPoolAssetManager can be drained by looping over **join()**, **joinSplit()** or **swap()** with only some initial amount

Id	3S-SG-C05
Classification	Critical
Severity	Critical
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

[DarkPoolAssetManager::join\(\)](#), [DarkPoolAssetManager::joinSplit\(\)](#) and [DarkPoolAssetManager::swap\(\)](#) don't check if the 2 notes are the same. Thus, using only 1 note, it's possible to double the amount of funds available. When used in a loop, this enables draining the whole asset manager.

[Here](#) is the poc for **join()** and **joinSplit** and [here](#) for **swap()**.

Recommendation

Check if the input notes are the same.

3S-SG-C06

Stuck ETH in Curve exchanges due to sending **msg.value** to the exchange instead of **amountIn**

Id	3S-SG-C06
Classification	Critical
Severity	Critical
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

The curve exchanges allow users who deposited to use their note commitments to swap for other assets. Thus, they have already deposited the **ETH**, but the exchanges still [require](#) the **amountIn** to be **msg.value**, leading to stuck **ETH**.

POC [here](#).

Recommendation

Replace `IExchange(exchangeContract).exchange{value: msg.value}` by `IExchange(exchangeContract).exchange{value: amountIn}`.

3S-SG-C07

Reusing the same **rho** and **pubKey** in different deposits leads to lost tokens

Id	3S-SG-C07
Classification	Critical
Severity	Critical
Likelihood	Medium
Category	Bug
Status	Addressed in #8b300f0 .

Description

The [nullifier](#) is formed from **rho** and the schnorr **pubKey**. This means that depositing with different assets and amounts will still have the same nullifier, leading to the inability to move the following deposits with the same **rho** and **pubKey**.

Check the poc [here](#) for details.

Recommendation

Either enforce the nullifier uniqueness (via unique **rho** and **pubkey** combination) or use the note as nullifier.

3S-SG-H01

Note footers should not be 0 in **curveRemoveLiquidity()** if the corresponding **asset0uts** are non null

Id	3S-SG-H01
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

In **curveRemoveLiquidity()**, the note footer should not be allowed to be 0 if **assetOut** is non null, as this could lead to duplicate note footers.

Recommendation

Revert if the note footer is 0 but the corresponding asset out is not.

3S-SG-H02

`UniswapLiquidityAssetManager::_validateCollectFeesArgs()`

validates nullifier instead of note footer

Id	3S-SG-H02
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

`UniswapLiquidityAssetManager::_validateCollectFeesArgs()` [allows](#) using the same note footers as it checks for nullifiers, when it should check for note footers.

Recommendation

Check for note footers correctly.

3S-SG-H03

CurveAssetManagerHelper::_validateAssets() should check that the number of assets provided is smaller than the maximum of the pool

Id	3S-SG-H03
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

[CurveAssetManagerHelper::_validateAssets\(\)](#) allows sending assets with indexes bigger than the maximum allowed of a pool (**num_coins**). This could lead to users losing tokens or unexpected behaviours.

Recommendation

Validate that the number of assets sent is at most **num_coins**.

3S-SG-H04

All curve params should be signed by the schnorr private key in the proof, or users may be grieved

Id	3S-SG-H04
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

An example of this issue is for example [here](#).

If the last bit of **isLegacy** is **0**, it checks **address(this).balance**, otherwise it **IERC20(_WETH_ADDRESS).balanceOf(address(this))**. This means that if for the same pool, the wrong **isLegacy** is used, 0 **outAmounts[i]** will be recorded.

Recommendation

Either send the curve params in the proof and sign them with the schnorr private key or set a mapping from pool to the correct pool params.

3S-SG-H05

Curve multi exchange can be used to withdraw assets without paying fees

Id	3S-SG-H05
Classification	High
Severity	High
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

CurveMultiExchangeAssetManager::exchange() allows sending any **route**, which is of type **Array of [initial token, pool or zap, token, pool or zap, token, ...]**. The **pool or zap** chosen indexes are not validated, which means any contract can be specified. Thus, users can create a contract with the same interface as **pool or zap** and receive the **amountIn** there. Then, only send back a very small amount of token out to bypass the fee manager check in **calculateFee()** of the **amount** being bigger than **serviceCharge + relayerRefund**. The service fees will be very small and the user will get the funds right away.

The [poc](#) for issue #13 contains an example of a malicious **swap** contract.

Recommendation

Apply the fees when releasing **assetIn** instead, this way it can not be gamed.

3S-SG-H06

Anyone can deposit to **DarkpoolAssetManager** as the **owner** can be freely chosen without any implication

Id	3S-SG-H06
Classification	High
Severity	High
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

[DarkpoolAssetManager::depositETH\(\)](#) and [DarkpoolAssetManager::depositERC20\(\)](#) allow choosing any owner, while the **msg.sender** still receives the deposit.

Recommendation

The owner should be the **msg.sender** or the owner's signature should be validated (so it can be relayed).

3S-SG-H07

Attackers can include other users nullifiers to make their funds stuck when adding liquidity to curve

Id	3S-SG-H07
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

[CurveLiquidityAssetManager::curveAddLiquidity\(\)](#) always spends the nullifiers, even if the amounts used are 0. In the [circuit](#), if the amount is 0, it does not validate the nullifier against the user signature, making it possible to include nullifiers from other users in the same transaction and losing their funds forever.

[Here](#) is the poc.

Recommendation

In `CurveAddLiquidityAssetManager::_addLiquidity()` skip `_postWithdraw()` if the amount is 0.

3S-SG-H08

_addLiquidity() slippage is incorrectly set

Id	3S-SG-H08
Classification	High
Severity	High
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

The slippage is computed as:

```
mintAmount = _args.isLegacy & 12 == 12 ?
    IPools(_args.pool).calc_token_amount(curveInputAmounts)
    : IPools(_args.pool).calc_token_amount(curveInputAmounts, true);
mintAmount = (mintAmount / 100) * 95;
```

This gets the **mintAmount** value post price manipulation, rendering the slippage protection useless. Also, hardcoding a parameter of **95%** slippage is not ideal.

[Here](#) is a similar finding.

Recommendation

There are 2 solutions to this problem:

1. Send the minimum mint amount as an argument.
2. Use an offchain oracle such as Chainlink.

3S-SG-H09

Anyone can frontrun a relayer interaction with the same arguments but a much higher/lower relayer fee

Id	3S-SG-H09
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #99f0220 , #02e5da2 .

Description

The relayer fee used throughout the codebase is not enforced anywhere, such that it's possible to frontrun a legit transaction and set a much lower/higher relayer fee, harming the relayer/user.

Recommendation

There are several ways to tackle this issue:

1. Assert that the relayer is the `msg.sender`.
2. Place a cap on the relayer fee.
3. The relayer gas fee could be part of the message that the user signs.

3S-SG-H10

DarkpoolAssetManager::Split() into 2 equal amounts leads to lost funds

Id	3S-SG-H10
Classification	High
Severity	Critical
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

When using [DarkpoolAssetManager::Split\(\)](#), there is no check to make sure that the 2 resulting notes are not equal, making it impossible to use the second note after the first one as the nullifier will be used by then.

Check the poc [here](#).

Recommendation

In **DarkpoolAssetManager::Split()** add a `_noteOut1 != _noteOut2` check.

3S-SG-M01

Service fees should depend on asset

Id	3S-SG-M01
Classification	Medium
Severity	Medium
Likelihood	High
Category	Suggestion
Status	Acknowledged

Description

Service fees are fixed, but they should depend on the asset, as their price differs significantly. Users are likely to arbitrage this.

Recommendation

Set a mapping for service fees.

3S-SG-M02

CurveAddLiquidityAssetManager::curveAddLiquidity() does not deal correctly with **isLegacy = 0b10** and **ETH**

Id	3S-SG-M02
Classification	Medium
Severity	Medium
Likelihood	Medium
Category	Bug
Status	Addressed in #8b300f0 .

Description

If **isETH**, but **args.isLegacy** is 1, it wraps to **weth** and allows pool, see [here](#).

if **args.isLegacy** is **0b10** and the asset is **ETH**, it does not send **ETH** to the pool, [here](#).

Additionally, it seems that it expects the ether balance to increase, which is unexpected, **mintAmount = address(this).balance - initAmount;**, as can be seen [here](#).

Recommendation

It seems that the **mintAmount** would always be

IERC20(_args.lpToken).balanceOf(address(this)) - initAmount, where **initAmount = IERC20(_args.lpToken).balanceOf(address(this));**, but a pool example should be given to confirm.

3S-SG-M03

Uniswap asset managers are missing slippage checks

Id	3S-SG-M03
Classification	Medium
Severity	Medium
Likelihood	High
Category	Bug
Status	Addressed in #8b300f0 .

Description

All Uniswap interactions are missing a deadline argument and are not setting the following slippage protection arguments in **UniswapLiquidityAssetManager**:

- **amount0Min** and **amount1Min** in **MintParams**.
- **amount0Min** and **amount1Min** in **DecreaseLiquidityParams**.

UniswapSwapAssetManager [sets](#) the **minAmountOut** value, but is not signed by the user in the circuit, so it could be gamed.

Recommendation

These arguments should be part of the proof and the user should sign them to prevent slippage.

3S-SG-M04

No support for fee on transfer tokens

Id	3S-SG-M04
Classification	Medium
Severity	High
Likelihood	Low
Category	Bug
Status	Acknowledged

Description

Fee on transfer tokens are not correctly dealt, as the **transferFrom()** call is expected to transfer exactly the requested amount. However, this is not the case for tokens that charge a fee on transfer.

Recommendation

To support these tokens, check the balance before calling **safeTransferFrom()** and compare with the new balance, getting the actual transferred amount.

3S-SG-M05

Some **ETH** transfers don't revert if they fail

Id	3S-SG-M05
Classification	Medium
Severity	Medium
Likelihood	Medium
Category	Bug
Status	Addressed in #8b300f0 .

Description

ETH transfers should revert if they fail. Although this issue alone will not lead to exploits, it increases the attack surface.

Recommendation

Revert if the transfers fails in:

- [Curve remove liquidity](#).
- [Curve multi exchange](#).
- [Curve single exchange](#).

3S-SG-L01

Decimals in **ZKToken** are not set to the underlying decimals, which will likely harm **tv1** calculations in aggregators

Id	3S-SG-L01
Classification	Low
Severity	Low
Likelihood	High
Category	Bug
Status	Addressed in #37bc421 , #dc4f4a4 .

Description

ZKTokens are minted 1:1 to the underlying assets, so should inherit the same decimals. For example, if **USDT** is the underlying asset, and 100 **USDT** are locked, it will mint **100e6 ZKTokens**. As the decimals are **1e18** in the OpenZeppelin implementation, this will equal much less TVL.

Recommendation

Change the constructor to set the decimals according to the underlying asset. Keep in mind that decimals are not part of the standard, so it may be required to manually set the decimals to the right value.

3S-SG-L02

StakingOperator::setCollateralToken() will cause issues if it changes tokens relations that have already been set

Id	3S-SG-L02
Classification	Low
Severity	Low
Likelihood	Low
Category	Suggestion
Status	Addressed in #6e589cb , #dc4f4a4 .

Description

Tokens are locked and unlocked, minting and burning **zkTokens** in the process, respectively. Thus, if **zkTokens** have been minted, but then the mappings between original and collateral tokens are changed, it will burn other **zkTokens**, leading to issues.

Recommendation

Either place an explicit check in the function to ensure the mappings have not been already created or keep this in mind.

3S-SG-L03

Curve pools should be whitelisted as some of them may not be **100%** compatible

Id	3S-SG-L03
Classification	Low
Severity	Medium
Likelihood	Low
Category	Suggestion
Status	Acknowledged

Description

Curve pools vary significantly between one another, which could lead to unexpected behavior. For example, it may be possible to add liquidity to a certain curve pool, but not remove it, due to incompatibilities, leading to lost funds.

Recommendation

Whitelist curve pools that have been tested to work.

3S-SG-L04

Missing event in **VerifierHub::setVerifier()**

Id	3S-SG-L04
Classification	Low
Severity	Low
Likelihood	High
Category	Suggestion
Status	Addressed in #8b300f0 .

Description

[VerifierHub::setVerifier\(\)](#) should emit an event when a **verifier** is set.

Recommendation

Emit events for all relevant state changes.

3S-SG-L05

Setting note commitments, nullifiers and note footers used should revert if they are already set to prevent exploits

Id	3S-SG-L05
Classification	Low
Severity	Low
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

Setting note commitments, nullifiers and note footers should never happen after they are already set, in which case the transaction should revert, as it is some clear attempt of an exploit.

Recommendation

Revert if they are already set.

3S-SG-L06

ERC20AssetPool1 and **ERC721AssetPool1** should have the **nonReentrant** modifier as **ERC721** and some tokens have callbacks

Id	3S-SG-L06
Classification	Low
Severity	Low
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

ERC721 implements a callback when transferring tokens.

Some tokens, such as **ERC777** implement callbacks when transferring.

Both these tokens could lead to reentrancy.

Recommendation

Implement the **nonReentrant** modifier for **ERC20AssetPool1** and **ERC721AssetPool1**.

3S-SG-L07

Generating numbers smaller than **P** by doing $\% \text{ P}$ might be vulnerable

Id	3S-SG-L07
Classification	Low
Severity	Low
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

For example, in [BaseInputBuilder::_bytifyToNoir\(\)](#)

```
_bytifyToNoir(address value) internal view returns (bytes32) {
    return bytes32(uint256(keccak256(abi.encode(value))) % _primeField);
}
```

- 1) the hashes are not unique, num A and num B = A + P will yield the same $\%$
- 2) doing $\% \text{ P}$ introduces a bias in the hash where smaller values are more frequent. This makes it easier to brute force solutions

Thus, it may be possible (not sure about the required power) to specify a different address that leads to the same number supplied in the proof

See this [writeup](#), Bug: Generating prime field elements.

Possible attack scenario: withdraw with a different address, leading to lost funds.

Recommendation

Use the **Mimc254** contract to generate safer hashes.

3S-SG-L08

Uniswap collect fees should skip collecting fees of one of the tokens if the amount is 0

Id	3S-SG-L08
Classification	Low
Severity	Medium
Likelihood	Low
Category	Bug
Status	Addressed in #8b300f0 .

Description

Uniswap positions may collect fees in only of the tokens, leading to 0 fees in the other. This will cause the fee manager to revert in [calculateFee\(\)](#).

Recomendation

Skip transferring the funds if the amount is 0.

3S-SG-L09

MerkleTreeOperator::getMerklePath() will revert due to OOG after enough elements

Id	3S-SG-L09
Classification	Low
Severity	Low
Likelihood	Low
Category	Bug
Status	Acknowledged

Description

MerkleTreeOperator::getMerklePath() [searches](#) the tree in linear time for the index of the requested **_noteCommitment**. Thus, it will run out of gas or timeout when using rpc providers when enough leaves are added.

Recommendation

Store the index of each leaf in a mapping.

3S-SG-N01

stakingAssetManager in **ZKToken** may be immutable as it is never changed

Id	3S-SG-N01
Classification	None
Category	Optimization
Status	Addressed in #bff8628 .

Description

stakingAssetManager in **ZKToken** can be made immutable as it is set in the constructor and never changed.

Recommendation

Set **stakingAssetManager** to immutable to save gas on reads.

3S-SG-N02

StakingOperator::_setUnlockWindow() checks if the times are negative, which is impossible

Id	3S-SG-N02
Classification	None
Category	Optimization
Status	Addressed in #2e77492 .

Description

In **StakingOperator::_setUnlockWindow()**, **unlockWindowStart** and **unlockWindowDuration** are **uint256**, so they can not be negative. However, the code checks for negative values, which is a waste of gas.

Recommendation

Replace both checks by equalities to **0**.

3S-SG-N03

StakingOperator does not set **isUnlockWindowActive** to true in the constructor if the flag passed is true

Id	3S-SG-N03
Classification	None
Category	Suggestion
Status	Addressed in #5ad81c5 .

Description

The constructor of **StakingOperator** is

```

constructor(
    uint256 unlockWindowStart,
    uint256 unlockWindowDuration,
    bool isUnlockWindowActive_,
    address owner
) Ownable(owner) {
    if (isUnlockWindowActive_) {
        _setUnlockWindow(unlockWindowStart, unlockWindowDuration);
    }
}

```

As can be seen, it receives a flag **isUnlockWindowActive_**, but never states the state variable **isUnlockWindowActive**. This may be intended, but flagging it because it is not clear.

Recommendation

Either place a comment or fix the issue.

3S-SG-N04

Checks effects interactions pattern is not always followed

Id	3S-SG-N04
Classification	None
Category	Suggestion
Status	Addressed in #89d8e20 , #189f399 .

Description

In **StakingAssetManager::unlock()**, fees are forwarded before marking the nullifier as used by calling **_postWithdraw()**. Although this is not exploitable because the call is permissioned by the relayer and it's not possible to register the same nullifier more than once, the pattern should always be followed to prevent future issues (if the code changes).

Recommendation

Forward the fees after recording all state changes.

3S-SG-N05

Variables are initialized to **0** by default

Id	3S-SG-N05
Classification	None
Category	Good Code Practices
Status	Addressed in #8b300f0 .

Description

Some variables such as [these](#) are initialized to **0**, which is not necessary.

Recommendation

Consider not initializing the variables as it is not required.

3S-SG-N06

`UniswapLiquidityAssetManager::uniswapLiquidityProvision()`
could return **tokenId**

Id	3S-SG-N06
Classification	None
Category	Good Code Practices
Status	Addressed in #8b300f0 .

Description

[UniswapLiquidityAssetManager::uniswapLiquidityProvision\(\)](#) could return the **tokenId** for better verbosity.

Recommendation

Return the **tokenId**.

3S-SG-N07

Spelling errors throughout the codebase

Id	3S-SG-N07
Classification	None
Category	Good Code Practices
Status	Addressed in #8b300f0 .

Description

Some spelling errors can be found in the codebase:

<https://github.com/portalgateme/darkpool-v1-zk-contracts-fork/blob/master/contracts/core/base/BaseAssetPool.sol#L17>

<https://github.com/portalgateme/darkpool-v1-zk-contracts-fork/blob/master/contracts/defi/curve/CurveAssetManagerHelper.sol#L179>

<https://github.com/portalgateme/darkpool-v1-zk-contracts-fork/blob/master/contracts/defi/curve/CurveAssetManagerHelper.sol#L147>

Recommendation

Fix the spelling mistakes.

3S-SG-N08

Unused **noteCommitment** parameter in **UniswapRemoveLiquidityInputs struct**

Id	3S-SG-N08
Classification	None
Category	Bug
Status	Addressed in #8b300f0 .

Description

UniswapRemoveLiquidityInputs struct in **UniswapInputBuilder** has a parameter named **positionNoteCommitment** which is not required.

Recommendation

Remove the mentioned parameter.

3S-SG-N09

Missing proof identifier, which could lead to using the same proof in another method

Id	3S-SG-N09
Classification	None
Category	Suggestion
Status	Addressed in #8b300f0 .

Description

There is no identifier in the circuits corresponding to the method that the proof relates to. This means that if 2 circuits have exactly the same inputs, the same proof could be used for more than 1 method. Thus, if a user intended to do some action, when the proof became exposed in the mempool, it could be used to perform another action.

There are no known situations where the same proof can be used, but it is still a possibility.

Recommendation

Each circuit should have an identifier such that the proof can only match to prevent using it in another method.

3S-SG-N10

UniswapLiquidityAssetManager registers the note footer twice

Id	3S-SG-N10
Classification	None
Category	Optimization
Status	Addressed in #8b300f0 .

Description

The note footers are registered twice.

<https://github.com/portalgateme/darkpool-v1-zk-contracts-fork/blob/master/contracts/de-fi/uniswap/UniswapLiquidityAssetManager.sol#L574-L575>

<https://github.com/portalgateme/darkpool-v1-zk-contracts-fork/blob/master/contracts/de-fi/uniswap/UniswapLiquidityAssetManager.sol#L532-L533>

Recommendation

Only register once.

3S-SG-N11

BaseAssetManager missing 0 address checks in the constructor

Id	3S-SG-N11
Classification	None
Category	Suggestion
Status	Addressed in #8b300f0 .

Description

0 address checks in the constructor are a safety check to ensure addresses are correctly set. The **BaseAssetManager**, which is inherited by all pool managers, could perform these checks.

Recommendation

Place these checks in the **BaseAssetManager**.