

# LOOP

audit / code review report

November 5, 2021

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# LOOP

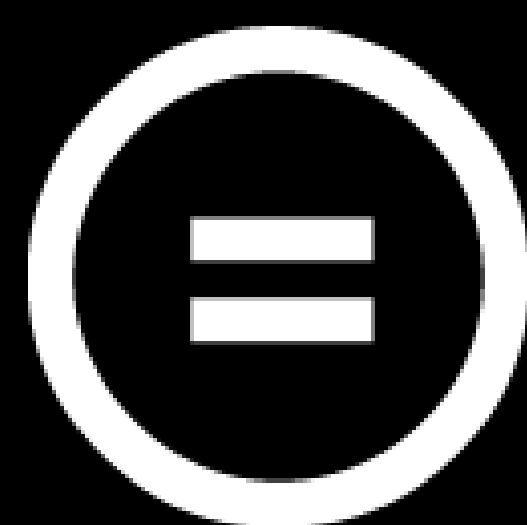
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## LICENSE

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## DISCLAIMER

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## APPROACH AND METHODOLOGY

### PURPOSE

1. Determine the correct operation of the protocol, according to the design specification.
2. Identify possible vulnerabilities that could be exploited by an attacker.
3. Detect errors in the smart contract that could lead to unexpected behavior.
4. Analyze whether best practices were followed during development.
5. Make recommendations to improve security and code readability.

### CODEBASE

|             |   |
|-------------|---|
| Repository  | <a href="https://github.com/Loop-Protocol/Loop_protocol_col5/tree/main">https://github.com/Loop-Protocol/Loop_protocol_col5/tree/main</a> |
| Branch      | main  |
| Commit hash | 0f902abc1981be446445427d1fe2a75a2f28e161  |

### METHODOLOGY

1. Reading the available documentation and understanding the code.
2. Doing automated code analysis and reviewing dependencies.
3. Checking manually source code line by line for security vulnerabilities.
4. Following guidelines and recommendations.
5. Preparing this report.

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## DESCRIPTION

Issues Categories:

| <u>Severity</u> | <u>Description</u>   |
|-----------------|--|
| <b>CRITICAL</b> | vulnerability that can lead to loss of funds, failure to recover blocked funds, or catastrophic denial of service. |
| <b>HIGH</b>     | vulnerability that can lead to incorrect contract state or unpredictable operation of the contract.                |
| <b>MEDIUM</b>   | failure to adhere to best practices, incorrect usage of primitives, without major impact on security.              |
| <b>LOW</b>      | recommendations or potential optimizations which can lead to better user experience or readability.                |

Each issue can be in the following state:

| <u>State</u>        | <u>Description</u>                               |
|---------------------|--|
| <b>PENDING</b>      | still waiting for resolving                      |
| <b>ACKNOWLEDGED</b> | know but not planned to resolve for some reasons |
| <b>RESOLVED</b>     | fixed and deployed                               |

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## FINDINGS

| <u>Finding</u>               | <u>Severity</u> | <u>Status</u> |
|------------------------------|-----------------|---------------|
| #1 - Typo in response object | LOW             | RESOLVED      |
| #2 - Incorrect sender value  | LOW             | RESOLVED      |
| #3 - General recommendations | LOW             | RESOLVED      |
|                              |                 |               |

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### #1 – FIX IN RESPONSE OBJECT

There is a typo in response object

| <u>Severity</u> | <u>Status</u> |
|-----------------|---------------|
| LOW             | RESOLVED      |

### RECOMMENDATION

Replace below code

```
Ok(Response::new().add_attributes(vec![("last_distributed", "last_distributed"))])
```

with

```
Ok(Response::new().add_attributes(vec![("last_distributed",  
last_distributed.to_string())]))
```

### PROOF OF SOURCE

<https://github.com/Loop->

[Protocol/Loop\\_protocol\\_col5/blob/0f902abc1981be446445427d1fe2a75a2f28e161/contracts/loops\\_wap\\_farming/src/contract.rs](https://github.com/Loop-Protocol/Loop_protocol_col5/blob/0f902abc1981be446445427d1fe2a75a2f28e161/contracts/loops_wap_farming/src/contract.rs)

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### #2 - INCORRECT SENDER VALUE

It would be better to set `sender` to address of `cw20` which sent that message.

| <u>Severity</u> | <u>Status</u> |
|-----------------|---------------|
| LOW             | RESOLVED      |

### RECOMMENDATION

Consider to change below code:

```
Ok(Response::new().add_messages(messages).add_attributes(vec![ ("action",  
"staked"), ("sender", &sender.to_string()), ("receiver", &sender.to_string()), ]))
```

### PROOF OF SOURCE

<https://github.com/Loop->

[Protocol/Loop\\_protocol\\_col5/blob/0f902abc1981be446445427d1fe2a75a2f28e161/contracts/loops\\_wap\\_staking/src/contract.rs#L290](https://github.com/Loop-Protocol/Loop_protocol_col5/blob/0f902abc1981be446445427d1fe2a75a2f28e161/contracts/loops_wap_staking/src/contract.rs#L290)



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### #3 – GENERAL RECOMMENDATIONS

Follow the best practices writing your smart contracts in Rust

| <u>Severity</u> | <u>Status</u> |
|-----------------|---------------|
| LOW             | RESOLVED      |

### RECOMMENDATION

Consider to change below

```
let result_reward = REWARD_TOKEN_ISSUED.may_load(deps.storage,  
key.clone())?; let mut reward_token_issued: Uint128 = Uint128::zero(); if  
result_reward != None { reward_token_issued = result_reward.unwrap(); }
```

to

```
let reward_token_issued =  
REWARD_TOKEN_ISSUED.load(deps.storage,key.clone()).unwrap_or(Uint128::zero()  
);
```

### PROOF OF SOURCE

<https://github.com/Loop->

[Protocol/Loop\\_protocol\\_col5/blob/0f902abc1981be446445427d1fe2a75a2f28e161/contracts/loops\\_wap\\_staking/src/contract.rs#L290](https://github.com/Loop-Protocol/Loop_protocol_col5/blob/0f902abc1981be446445427d1fe2a75a2f28e161/contracts/loops_wap_staking/src/contract.rs#L290)

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