

## **1inch Fee Charging Update (2025-04) Security Audit**

: 1inch Fee Charging Update (2025-04)

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May 14, 2025

Revision 1.0

ChainLight@Theori

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# Executive Summary

Beginning on April 24, 2025, ChainLight of Theori conducted a three-day security audit of 1inch's fee charging update.

Key areas of focus included:

- **Surplus Fee Mechanism:** A significant portion of our effort was dedicated to analyzing the newly introduced surplus fee logic in `SimpleSettlement.sol`.
- **Validation of Refactored Code:** The audit verified the correct refactoring of `FeeTaker._postInteraction()` into a new internal function, `_getFeeAmounts()`, ensuring its logical integrity was maintained.
- **Review of Ancillary Changes:** Other changes, such as the removal of a fee basis point sanity check in `AmountGetterWithFee.sol`, were reviewed for security impacts.

## Summary of Findings

The audit revealed a total of one issue, categorized by severity as follows:

- **Medium:** 1 issue

# Audit Overview

## Scope

<b>Name</b>	1inch Fee Charging Update (2025-04) Security Audit
<b>Target / Version</b>	<ul style="list-style-type: none"><li>Git Repository ( 1inch/fusion-protocol ): commit c0197a5b4110e89a7a832fff8e95927e41564e17<ul style="list-style-type: none"><li>contracts/SimpleSettlement.sol</li></ul></li><li>Git Repository ( 1inch/limit-order-protocol ): commit cf8e50eb24c01c7b276a30a5877840df35e66e67<ul style="list-style-type: none"><li>contracts/extensions/FeeTaker.sol</li><li>contracts/extensions/AmountGetterWithFee.sol</li><li>contracts/extensions/AmountGetterBase.sol</li></ul></li></ul>
<b>Application Type</b>	Smart contracts
<b>Lang. / Platforms</b>	Smart contracts [Solidity]

## Code Revision

N/A

## Severity Categories

Severity	Description
Critical	The attack cost is low (not requiring much time or effort to succeed in the actual attack), and the vulnerability causes a high-impact issue. (e.g., Effect on service availability, Attacker taking financial gain)
High	An attacker can succeed in an attack which clearly causes problems in the service's operation. Even when the attack cost is high, the severity of the issue is considered "high" if the impact of the attack is remarkably high.
Medium	An attacker may perform an unintended action in the service, and the action may impact service operation. However, there are some restrictions for the actual attack to succeed.
Low	An attacker can perform an unintended action in the service, but the action does not cause significant impact or the success rate of the attack is remarkably low.
Informational	Any informational findings that do not directly impact the user or the protocol.
Note	Neutral information about the target that is not directly related to the project's safety and security.

## Status Categories

Status	Description
<b>Reported</b>	ChainLight reported the issue to the client.
<b>WIP</b>	The client is working on the patch.
<b>Patched</b>	The client fully resolved the issue by patching the root cause.
<b>Mitigated</b>	The client resolved the issue by reducing the risk to an acceptable level by introducing mitigations.
<b>Acknowledged</b>	The client acknowledged the potential risk, but they will resolve it later.
<b>Won't Fix</b>	The client acknowledged the potential risk, but they decided to accept the risk.

## Finding Breakdown by Severity

Category	Count	Findings
Critical	0	<ul style="list-style-type: none"><li>• N/A</li></ul>
High	0	<ul style="list-style-type: none"><li>• N/A</li></ul>
Medium	1	<ul style="list-style-type: none"><li>• 1INCH-FEECHARGING2504-001</li></ul>
Low	0	<ul style="list-style-type: none"><li>• N/A</li></ul>
Informational	0	<ul style="list-style-type: none"><li>• N/A</li></ul>
Note	0	<ul style="list-style-type: none"><li>• N/A</li></ul>

# Findings

## Summary

#	ID	Title	Severity	Status
1	1INCH-FEECHARGING2504-001	Surplus Fee Bypass via estimatedTaking Amount Manipulation	Medium	Mitigated

## #1 1INCH-FEECHARGING2504-001 Surplus Fee Bypass via

### `estimatedTakingAmount` Manipulation

ID	Summary	Severity
1INCH-FEECHARGING2504-001	The surplus fee calculation in <code>SimpleSettlement._getFeeAmounts()</code> can be manipulated by providing an excessively large <code>estimatedTakingAmount</code> , allowing users to bypass surplus fees.	Medium

#### Description

The `SimpleSettlement._getFeeAmounts()` function calculates surplus fees by comparing actual taking amounts against the `estimatedTakingAmount` provided at the time of order creation. The smart contract itself cannot independently determine if this amount is appropriate, as it represents the expected amount based on the observed state when the user created the order.

If a user submits an extremely large value for the `estimatedTakingAmount`, such as `type(uint256).max`, this input causes the calculated surplus to be zero, irrespective of the actual amount ultimately taken, thereby negating any surplus fee.

#### Impact

Medium

Users can leverage this issue to evade surplus fees, leading to lower revenue from fees for the protocol.

#### Recommendation

Since this manipulation should be detectable through off-chain monitoring, whitelisted resolvers should take action against users (addresses) found to be intentionally manipulating the surplus fee calculation.

## **Remediation**

### **Mitigated**

Appropriate backend validations have been ensured to check if the `estimatedTakingAmount` for an order remains within a reasonable and expected range.

## Revision History

Version	Date	Description
1.0	May 14, 2025	Initial version

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