

WATCHPUG / Pendle v2 / Part 2

[M-1] Wrong implementation of PendleVotingControllerUpg#vote() will revert when there are pools that get more weights than before

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingController/PendleVotingControllerUpg.sol#L69-L91>

```

69 | function vote(address[] calldata pools, uint64[] calldata weights) external {
70 |     address user = msg.sender;
71 |
72 |     require(weights.length == pools.length, "invalid array length");
73 |     require(vePendle.balanceOf(user) > 0, "zero vependle balance");
74 |
75 |     UserData storage uData = userData[user];
76 |     LockedPosition memory userPosition = _getUserVePendlePosition(user);
77 |
78 |     for (uint256 i = 0; i < pools.length; ++i) {
79 |         if (_isPoolActive(pools[i])) applyPoolSlopeChanges(pools[i]);
80 |     }
81 |
82 |     for (uint256 i = 0; i < pools.length; ++i) {
83 |
84 |         _modifyVoteWeight(user, pools[i], userPosition, weights[i]);
85 |     }
86 |
87 |     for (uint256 i = 0; i < pools.length; ++i) {
88 |
89 |         _modifyVoteWeight(user, pools[i], userPosition, weights[i]);
90 |     }
91 | }

```

At L82-85, the pools that get more weights than before will be updated first, which we believe is a wrong implementation; it seems the original intention is to update the pools that get fewer weights first.

As a result, the transaction will revert at L212-216 with the error: "exceeded max weight".

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingController/VotingControllerStorageUpg.sol#L181-L220>

```

181 | function _modifyVoteWeight(
182 |     address user,
183 |     address pool,

```

```

184     LockedPosition memory userPosition,
185     uint64 weight
186 ) internal returns (VeBalance memory newVote) {
187     UserData storage uData = userData[user];
188     PoolData storage pData = poolData[pool];
189
190     VeBalance memory oldVote = uData.voteForPools[pool].vote;
191
192     // REMOVE OLD VOTE
193     if (oldVote.bias != 0) {
194         if (_isPoolActive(pool) && _isVoteActive(oldVote)) {
195             pData.totalVote = pData.totalVote.sub(oldVote);
196             pData.slopeChanges[oldVote.getExpiry()] -= oldVote.slope;
197         }
198
199         delete uData.voteForPools[pool];
200     }
201
202     // ADD NEW VOTE
203     if (weight != 0) {
204         require(_isPoolActive(pool), "pool not active");
205
206         newVote = userPosition.convertToVeBalance(weight);
207
208         pData.totalVote = pData.totalVote.add(newVote);
209         pData.slopeChanges[newVote.getExpiry()] += newVote.slope;
210
211         uData.voteForPools[pool] = UserPoolData(weight, newVote);
212     }
213
214     userPoolHistory[user][pool].push(newVote);
215 }

```

PoC

Given:

- Alice allocated weights as such: [pool1: 0.5, pool2: 0.5]

When:

- Alice vote() with: [pool1: 0.4, pool2: 0.6]

Then:

- PendleVotingControllerUpg#vote() the first iteration at L82-L85 will be skipped as if (0.5 <= 0.4) failed
- PendleVotingControllerUpg#vote() the second iteration at L82-L85 will call _modifyVoteWeight(user1, pool2, userPosition, 0.6) as if (0.5 <= 0.6) passed:
 - _modifyVoteWeight() L198, uData.totalVotedWeight -= 0.5; updated

- `uData.totalVotedWeight` to `0.5`
- `_modifyVoteWeight()` L212, `uData.totalVotedWeight += 0.6`; updated `uData.totalVotedWeight` to `1.1`
- `_modifyVoteWeight()` L213-L216, reverted because of `require(1.1 <= 1.0, "exceeded max weight")`;

Recommendation

- Moving the `uData.totalVotedWeight <= VeBalanceLib.USER_VOTE_MAX_WEIGHT` check in `VotingControllerStorageUpg#_modifyVoteWeight()` to the end of the `PendleVotingControllerUpg#vote()` ;
- Merging the two for-loop in `PendleVotingControllerUpg#vote()` into one:

```

69 | function vote(address[] calldata pools, uint64[] calldata weights) external {
70 |     address user = msg.sender;
71 |
72 |     require(weights.length == pools.length, "invalid array length");
73 |     require(vePendle.balanceOf(user) > 0, "zero vependle balance");
74 |
75 |     UserData storage uData = userData[user];
76 |     LockedPosition memory userPosition = _getUserVePendlePosition(user);
77 |
78 |     for (uint256 i = 0; i < pools.length; ++i) {
79 |         if (_isPoolActive(pools[i])) applyPoolSlopeChanges(pools[i]);
80 |     }
81 |

```

```

85 |
90 |     }

```

```

181 | function _modifyVoteWeight(
182 |     address user,
183 |     address pool,
184 |     LockedPosition memory userPosition,
185 |     uint64 weight
186 | ) internal returns (VeBalance memory newVote) {
187 |     UserData storage uData = userData[user];
188 |     PoolData storage pData = poolData[pool];
189 |
190 |     VeBalance memory oldVote = uData.voteForPools[pool].vote;
191 |
192 |     // REMOVE OLD VOTE
193 |     if (oldVote.bias != 0) {
194 |         if (_isPoolActive(pool) && _isVoteActive(oldVote)) {
195 |             pData.totalVote = pData.totalVote.sub(oldVote);
196 |             pData.slopeChanges[oldVote.getExpiry()] -= oldVote.slope;
197 |         }

```

```

198     uData.totalVotedWeight -= uData.voteForPools[pool].weight;
199     delete uData.voteForPools[pool];
200 }
201
202 // ADD NEW VOTE
203 if (weight != 0) {
204     require(!_isPoolActive(pool), "pool not active");
205
206     newVote = userPosition.convertToVeBalance(weight);
207
208     pData.totalVote = pData.totalVote.add(newVote);
209     pData.slopeChanges[newVote.getExpiry()] += newVote.slope;
210
211     uData.voteForPools[pool] = UserPoolData(weight, newVote);
212     uData.totalVotedWeight += weight;
213 }
214
215 userPoolHistory[user][pool].push(newVote);
216 }

```

[L-2] Duplicate event emissions

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingEscrow/VotingEscrowPendleMainchain.sol#L213-L231>

```

213 function _broadcastPosition(address user, uint256[] calldata chainIds) public payable {
214     require(chainIds.length != 0, "empty chainIds");
215
216     (VeBalance memory supply, uint256 wTime) = _applySlopeChange();
217
218     bytes memory userData = (
219         user == address(0) ? EMPTY_BYTES : abi.encode(user, positionData[user])
220     );
221
222     for (uint256 i = 0; i < chainIds.length; ++i) {
223         require(sidechainContracts.contains(chainIds[i]), "not supported chain");
224         _broadcast(chainIds[i], wTime, supply, userData);
225     }
226
227     emit BroadcastTotalSupply(supply, chainIds);
228 }
229
230 }
231

```

BroadcastUserPosition will be emitted chainIds.length times with all the chainIds each time.

Recommendation

```

213 | function _broadcastPosition(address user, uint256[] calldata chainIds public payable {
214 |     require(chainIds.length != 0, "empty chainIds");
215 |
216 |     (VeBalance memory supply, uint256 wTime) = _applySlopeChange();
217 |
218 |     bytes memory userData = (
219 |         user == address(0) ? EMPTY_BYTES : abi.encode(user, positionData[user])
220 |     );
221 |
222 |     for (uint256 i = 0; i < chainIds.length; ++i) {
223 |         require(sidechainContracts.contains(chainIds[i]), "not supported chain");
224 |         _broadcast(chainIds[i], wTime, supply, userData);
225 |     }
226 |
227 |
228 |
229 |
230 |     emit BroadcastTotalSupply(supply, chainIds);
231 | }

```

[I-3] Expired markets should be excluded from PENDLE rewards automatically

Expired markets should no longer receive any PENDLE rewards as the market is usually no longer needed by then.

Per the [README.md](#):

markets that are expired will be removed by governance

While this gives us more flexibility, we also believe it is prone to delay/mistake more than an automatic method.

Recommendation

Consider adding a check in `_receiveVotingResults` and only `_addRewardsToMarket` when the market is not expired. The `pendleAmounts` allocated to the expired markets can be sent to the treasury.

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/GaugeController/PendleGaugeControllerBaseUpg.sol#L93-L109>

```

93 | function _receiveVotingResults(
94 |     uint128 wTime,
95 |     address[] memory markets,
96 |     uint256[] memory pendleAmounts
97 | ) internal {

```

```

98 |     require markets.length == pendleAmounts.length, "invalid markets length";
99 |
100 |     if (epochRewardReceived[wTime]) return; // only accept the first message for the wTime
101 |     epochRewardReceived[wTime] = true;
102 |
103 |     for (uint256 i = 0; i < markets.length; ++i) {
104 |         _addRewardsToMarket(markets[i], pendleAmounts[i].Uint128());
105 |     }
106 |
107 |     emit ReceiveVotingResults(wTime, markets, pendleAmounts);
108 | }

```

If we want a more precise time to end the rewards for the soon-to-expire markets, `_addRewardsToMarket()` can be changed to replace `WEEK` with the length of time until it expires.

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/GaugeController/PendleGaugeControllerBaseUpg.sol#L117-L128>

```

117 | function _addRewardsToMarket(address market, uint128 pendleAmount) internal {
118 |     MarketRewardData memory rwd = _getUpdatedMarketReward(market);
119 |     uint128 leftover = (rwd.incentiveEndsAt - rwd.lastUpdated) * rwd.pendlePerSec;
120 |
121 |
122 |     rewardData[market] = MarketRewardData({
123 |         pendlePerSec: newSpeed,
124 |         accumulatedPendle: rwd.accumulatedPendle,
125 |         lastUpdated: uint128(block.timestamp),
126 |
127 |     });
128 | }

```

[I-4] It's possible that the pool address can be the same on different networks, and we should avoid that

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingController/VotingControllerStorageUpg.sol#L136-L157>

```

136 | function _addPool(uint64 chainId, address pool) internal {
137 |     require chainPools[chainId].add(pool, "IE");
138 |     require allActivePools.add(pool, "IE");
139 |
140 |     poolData[pool].chainId = chainId;
141 |     poolData[pool].lastSlopeChangeAppliedAt = WeekMath.getCurrentWeekStart();
142 | }
143 |
144 | /**

```

```

145 * @dev expected behavior:
146   - remove from allActivePool, chainPools
147   - add to allRemovedPools
148   - clear all params in poolData
149 */
150 function _removePool(address pool) internal {
151     uint64 chainId = poolData[pool].chainId;
152     require(chainPools[chainId].remove(pool), "IE");
153     require(allActivePools.remove(pool), "IE");
154     require(allRemovedPools.add(pool), "IE");
155
156     delete poolData[pool];
157 }

```

The address of the pool is used as the ID for the all the markets cross the networks, it assumes that the address is unique.

However, We find that it's possible for the address of a pool to be the same on another network, this can be troublesome, so we should avoid that.

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/Market/PendleMarketFactory.sol#L76-L95>

```

76 function createNewMarket(
77     address PT,
78     int256 scalarRoot,
79     int256 initialAnchor
80 ) external returns (address market) {
81     require(IPYieldContractFactory(yieldContractFactory).isPT(PT), "Invalid PT");
82     require(markets[PT][scalarRoot][initialAnchor] == address(0), "market already created");
83
84     // no need salt since market's existence has been checked before hand
85     market = SSTORE2Deployer.create2(
86         marketCreationCodePointer,
87         bytes32(0),
88         abi.encode(PT, scalarRoot, initialAnchor, vePendle, gaugeController)
89     );
90
91     markets[PT][scalarRoot][initialAnchor] = market;
92     require(allMarkets.add(market), "IE market can't be added");
93
94     emit CreateNewMarket(market, PT, scalarRoot, initialAnchor);
95 }

```

When the PendleMarketFactory is deployed by the same deployer with the same nonce on a different network, AND when createNewMarket is called with the same params, then the pool address will be the same on different networks.

This is unlikely to happen in practice, but still possible.

Recommendation

Consider using the `chainId` as the salt in `createNewMarket()`:

```

76 | function createNewMarket(
77 |     address PT,
78 |     uint256 scalarRoot,
79 |     uint256 initialAnchor
80 | ) external returns (address market) {
81 |     require(IPYieldContractFactory(yieldContractFactory).isPT(PT), "Invalid PT");
82 |     require(markets[PT][scalarRoot][initialAnchor] == address(0), "market already created");
83 |
84 |     // no need salt since market's existence has been checked before hand
85 |     market = SSTORE2Deployer.create2(
86 |         marketCreationCodePointer,
87 |
88 |         abi.encode(PT, scalarRoot, initialAnchor, vePendle.gaugeController)
89 |     );
90 |
91 |     markets[PT][scalarRoot][initialAnchor] = market;
92 |     require(allMarkets.add(market), "IE market can't be added");
93 |
94 |     emit CreateNewMarket(market, PT, scalarRoot, initialAnchor);
95 | }

```

[L-5] PendleVotingControllerUpg.sol#_broadcastResults() Precision loss due to div before mul

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingController/PendleVotingControllerUpg.sol#L245-L249>

```

245 | for (uint256 i = 0; i < length; ++i) {
246 |     uint256 poolVotes = weekData[wTime].poolVotes[poolIndices[i]];
247 |     uint256 pendlePerSec = (totalPendlePerSec * poolVotes) / totalVotes;
248 |     totalPendleAmounts[i] = pendlePerSec * WEEK;
249 | }

```

Recommendation

Change to:

```

245 | for (uint256 i = 0; i < length; ++i) {
246 |     uint256 poolVotes = weekData[wTime].poolVotes[poolIndices[i]];
247 |     totalPendleAmounts[i] = (totalPendlePerSec * poolVotes) * WEEK / totalVotes;
248 | }

```


[I-6] The external rewards should not be distributed according to vePENDLE shares based activeBalance

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/PendleGauge.sol#L66-L94>

```

66 | function _updateUserActiveBalancePrivate(address user) private {
67 |     assert user != address(0) && user != address(this));
68 |
69 |     uint256 lpBalance = _stakedBalance(user);
70 |     uint256 veBoostedLpBalance = _calcVeBoostedLpBalance(user, lpBalance);
71 |
72 |     uint256 newActiveBalance = Math.min(veBoostedLpBalance, lpBalance);
73 |
74 |     totalActiveSupply = totalActiveSupply - activeBalance[user] + newActiveBalance;
75 |     activeBalance[user] = newActiveBalance;
76 | }
77 |
78 | function _calcVeBoostedLpBalance(address user, uint256 lpBalance)
79 |     internal
80 |     virtual
81 |     returns (uint256)
82 | {
83 |     uint256 vePendleBalance = vePENDLE.balanceOf(user);
84 |     uint256 vePendleSupply = vePENDLE.totalSupplyCurrent();
85 |     // Inspired by Curve's Gauge
86 |     uint256 veBoostedLpBalance = (lpBalance * TOKENLESS_PRODUCTION) / 100;
87 |     if (vePendleSupply > 0) {
88 |         veBoostedLpBalance +=
89 |             (((_totalStaked() * vePendleBalance) / vePendleSupply) *
90 |              (100 - TOKENLESS_PRODUCTION)) /
91 |             100;
92 |     }
93 |     return veBoostedLpBalance;
94 | }

```

Per the [README.md](#):

The Gauge/Market will receive rewardTokens from SCY as well as claiming the PENDLE token from gauge controller. All of the reward tokens (including PENDLE) will be distributed with boosting mechanism

While it's natural and reasonable for the PENDLE rewards to be distributed according to the activeBalance, we find it's quite unconventional and troublesome if this also applies to the distribution of SCY external rewards.

Firstly and philosophically, we would say that the external rewards is bonded to the SCY, therefore, they should not be redistributed according to any other metrics besides the lpBalance.

Furthermore and more practically, the redistribution mechanism will effectively make the calculation of the profit-and-loss much more complicated for the users.

That's because by the same time they get PENDLE rewards, they may gain more external rewards or lose part of their initial external rewards based on the amount of veBalance, in comparison to just hold their SCY tokens or the external rewards are distributed based on lpBalance.

[G-7] vePENDLE.sol Combine two external calls into one can save gas

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/PendleGauge.sol#L83-L84>

```
83 | uint256 vePendleBalance = vePENDLE.balanceOf(user);
84 | uint256 vePendleSupply = vePENDLE.totalSupplyCurrent();
```

Recommendation

Consider adding a new function called `totalSupplyAndBalanceCurrent` in `vePENDLE`:

```
1 | function totalSupplyAndBalanceCurrent(address user) external view returns (uint128, uint128) {
2 |     (VeBalance memory supply, ) = _applySlopeChange();
3 |
4 |     uint128 userBalance = balanceOf(user);
5 |     return (userBalance, supply.getCurrentValue());
6 | }
```

[G-8] Avoid unnecessary storage read can save gas

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingEscrow/VotingEscrowPendleMainchain.sol#L191-L210>

```
191 | function _applySlopeChange() internal returns (VeBalance memory, uint128) {
192 |     VeBalance memory supply = _totalSupply;
193 |     uint128 wTime = lastSlopeChangeAppliedAt;
194 |     uint128 currentWeekStart = WeekMath.getCurrentWeekStart();
195 |
196 |     if (wTime >= currentWeekStart) {
197 |         return (supply, wTime);
198 |     }
```

```

190 |
199 |
200 |     while (wTime < currentWeekStart) {
201 |         wTime += WEEK;
202 |         supply = supply.sub(slopeChanges[wTime], wTime);
203 |         totalSupplyAt[wTime] = supply.getValueAt(wTime);
204 |     }
205 |
206 |     _totalSupply = supply;
207 |
208 |
209 |
210 | }

```

At L209, use `wTime` instead of `lastSlopeChangeAppliedAt` can avoid unnecessary storage read and save some gas.

[I-9] End the Vote a few hours earlier before the next week starts can help avoid leftover

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/GaugeController/PendleGaugeControllerBaseUpg.sol#L117-L128>

```

117 | function _addRewardsToMarket(address market, uint128 pendleAmount) internal {
118 |     MarketRewardData memory rwd = _getUpdatedMarketReward(market);
119 |
120 |     uint128 newSpeed = (leftover + pendleAmount) / WEEK;
121 |
122 |     rewardData[market] = MarketRewardData({
123 |         pendlePerSec: newSpeed,
124 |         accumulatedPendle: rwd.accumulatedPendle,
125 |         lastUpdated: uint128(block.timestamp),
126 |         incentiveEndsAt: uint128(block.timestamp) + WEEK
127 |     });
128 | }

```

In the current implementation, the voting for allocation to the pools in the next week/epoch only ends by the start of the next week/epoch.

After the voting ends and the new epoch/week starts, the voting results can be synced to the side chains through a crosschain messaging protocol.

However, this will take some time, depends on when the sync can be triggered and how long it takes for the cross-chain message to be processed. This creates a gap between the end of the last reward period and the start of a new reward period, during that gap period, there will be no rewards.

An alternative solution would be to end the vote earlier, say a few hours, to allow the voting results to be synced sooner and avoid the gap.

the voting results to be synced sooner, and avoid the gap.

Recommendation

To apply this alternative solution, a decent amount of code changes would be required, and even with this early result synchronisation mechanism implemented, we still can't guarantee no gap.

Therefore, we believe it's not unnecessary to make any changes for this. And we leave this issue as it is for your reference only.

[Q-10] VotingEscrowPendleMainchain.sol How will the totalSupplyAt be used for reward accounting

When the user `increaseLockPosition()` a new point will be added to the `$veTotalSupply(t)$`.

However, `totalSupplyAt` will not be updated. Instead, it will only be set per week at `wTime`.

This aligns with the comment indicating that it's mapping of `[wTime] => totalSupply`:

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingEscrow/VotingEscrowPendleMainchain.sol#L25-L27>

```
27 | mapping(uint128 => uint128) public totalSupplyAt;
```

The comment also says that this "later can be used for reward accounting", but we would like to learn more about how this can be or will be used for reward accounting?

[I-11] VotingEscrowPendleMainchain#_broadcast() should refund the unspent crosschain message fee

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingEscrow/VotingEscrowPendleMainchain.sol#L238-L245>

```
238 | function _broadcast(
239 |     uint256 chainId,
240 |     uint256 wTime,
241 |     VeBalance memory supply
```

```

242         bytes memory supply,
243         bytes memory userData
244     ) internal {
245         _sendMessage(chainId, abi.encode(wTime, supply, userData));
    }

```

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/CelerAbstracts/CelerSenderUpg.sol#L28-L33>

```

28     function _sendMessage(uint256 chainId, bytes memory message) internal {
29         assert(sidechainContracts.contains(chainId));
30         address toAddr = sidechainContracts.get(chainId);
31         uint256 fee = celerMessageBus.calcFee(message);
32         celerMessageBus.sendMessage{ value: fee }(toAddr, chainId, message);
33     }

```

When a crosschain message is needed, the caller is required to pay for the message with `msg.value`.

However, in the current implementation, the unspent part (`msg.value - fee`) will not be refunded to `msg.sender`.

This is not a problem with the current implementation of Celer's `MessageBusSender.sol#calcFee()`:

<https://github.com/celer-network/sgn-v2-contracts/blob/d20dfa94019c0404af0c86f6ce6ccb4c71b4b0d/contracts/message/messagebus/MessageBusSender.sol#L108-L127>

```

108 /**
109  * @notice Calculates the required fee for the message.
110  * @param _message Arbitrary message bytes to be decoded by the destination app contract.
111  * @return The required fee.
112  */
113 function calcFee(bytes calldata _message) public view returns (uint256) {
114     return feeBase + _message.length * feePerByte;
115 }
116
117
118
119 function setFeePerByte(uint256 _fee) external onlyOwner {
120     feePerByte = _fee;
121     emit FeePerByteUpdated(feePerByte);
122 }
123
124 function setFeeBase(uint256 _fee) external onlyOwner {
125     feeBase = _fee;
126     emit FeeBaseUpdated(feeBase);
127 }

```

Because the result of `calcFee()` will not change for the same message unless the owner

changed the `feeBase` or `feePerByte` .

We observed the recent transactions on Celer's `MessageBusSender.sol` contract and it seems they rarely change them.

It may not continue to be so if Celer changes the way they update the `feeBase` or `feePerByte` .

Plus, we may choose to use another cross chain messaging provider later, which may have a more dynamic messaging fee.

Therefore, we still recommend you to add the logic to refund the unspent fee to the caller.

[G-12] PendleERC20.sol storage-pack _status with _totalSupply increases runtime gas consumption due to masking

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/PendleERC20.sol#L20-L30>

```

20 | contract PendleERC20 is Context, IERC20, IERC20Metadata {
21 |     uint8 private constant _NOT_ENTERED = 1;
22 |     uint8 private constant _ENTERED = 2;
23 |
24 |     mapping(address => uint256) private _balances;
25 |
26 |     mapping(address => mapping(address => uint256)) private _allowances;
27 |

```

`_status` , `_totalSupply` are not typically read/written together.

Specifically, the `_status` used for reentrancy guard will be read and write more often.

Per the Solidity docs:

https://docs.soliditylang.org/en/v0.8.10/internals/layout_in_storage.html#:~:text=When%20using%20elements%20that%20are%20smaller%20than%2032%20bytes%2C%20your%20contract%E2%80%99s%20gas%20usage%20may%20be%20higher

When using elements that are smaller than 32 bytes, your contract's gas usage may be higher. This is because the EVM operates on 32 bytes at a time. Therefore, if the element is smaller than that, the EVM must use more operations in order to reduce the size of the element from 32 bytes to the desired size.

It might be beneficial to use reduced-size types if you are dealing with storage values because the compiler will pack multiple elements into one storage slot, and thus, combine multiple reads or writes into a single operation. If you are not reading or writing all the values in a slot at the same time, this can have the opposite effect, though: When one value is written to a multi-value storage slot, the storage slot *has to be read first and then combined with the new value* such that other data in the same slot is not destroyed.

Every contract has structs that pack multiple fields into slots by using < 256b types. This saves slots but increases runtime gas consumption due to masking of shared slot variables while reading/writing individual variables. The impact is more significant where the shared slot variables are not typically read/written together in functions which may allow the optimizer to combine their reads/writes in SLOADs/SSTOREs because that will not reduce SLOADs/SSTOREs used and instead add more bytecode/gas overhead for masking.

As a result, packing them into the same slot actually increases runtime gas consumption.

[I-13] Adding mainchain gaugeController into sidechainContracts is confusing and unnecessary

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/VotingController/PendleVotingControllerUpg.sol#L231-L263>

```

231 function _broadcastResults(
232     uint64 chainId,
233     uint128 wTime,
234     uint128 totalPendlePerSec
235 ) internal {
236     uint256 totalVotes = weekData[wTime].totalVotes;
237     if (totalVotes == 0) return;
238
239     uint256 length = chainPools[chainId].length();
240     if (length == 0) return;
241
242     address[] memory pools = chainPools[chainId].values();
243     uint256[] memory totalPendleAmounts = new uint256[](length);
244
245     for (uint256 i = 0; i < length; ++i) {
246         uint256 poolVotes = weekData[wTime].poolVotes[pools[i]];
247         uint256 pendlePerSec = (totalPendlePerSec * poolVotes) / totalVotes;
248         totalPendleAmounts[i] = pendlePerSec * WEEK;
249     }
250
251     if (chainId == block.chainid) {
252         address gaugeController = sidechainContracts.get(chainId);
253         IPGaugeControllerMainchain(gaugeController).updateVotingResults(
254             wTime,

```

```

255         pools,
256         totalPendleAmounts
257     );
258 } else {
259     _sendMessage(chainId, abi.encode(wTime, pools, totalPendleAmounts));
260 }
261
262 emit BroadcastResults(chainId, wTime, totalPendlePerSec);
263 }

```

Per the [README.md](#):

On Ethereum, there is a VotingController contract to control the voting on incentives for the different markets on the different chains.

When `chainId == block.chainid`, it means that we are `updateVotingResults()` for the current network, the "mainchain".

The current implementation requires the mainchain's `gaugeController` address to be added to `sidechainContracts`, this may cause some misunderstandings as it's not extract how the name implies.

For example, `getAllSidechainContracts()` will also return mainchain's `gaugeController` address:

<https://github.com/pendle-finance/pendle-core-internal-v2/blob/6b7ec5e22cc07617fd531dc71b1b2d2031aa68fe/contracts/core/LiquidityMining/CelerAbstracts/CelerSenderUpg.sol#L46-L58>

```

46 function getAllSidechainContracts()
47     public
48     view
49     returns (uint256[] memory chainIds, address[] memory addrs)
50 {
51     uint256 length = sidechainContracts.length();
52     chainIds = new uint256[](length);
53     addrs = new address[](length);
54
55     for (uint256 i = 0; i < length; ++i) {
56         (chainIds[i], addrs[i]) = sidechainContracts.at(i);
57     }
58 }

```

Recommendation

Consider adding a immutable variable `gaugeControllerMainchain` to store the mainchain's `gaugeController` address and only include sidechain contracts in `sidechainContracts`.

[I-14] Users will not naturally update others'

activeBalance

activeBalance

Work in progress

vePENDLE Whitepaper assumes that Users will naturally update others' *activeBalance* :

6.3.1 Users will naturally update others' *activeBalance*

If there is no new locked position, the *activeBalance* of a user go down with every update. As such, a rational user u will go around calling the update function on everyone else except for u (assuming gas is not a concern), which will increase u 's boosting compared to others.

As a result, everyone's *activeBalance* will be updated frequently, reflecting closely the real-time non-cached value.

However, we find that it's more complicated than that and we are working on the details about this.
