

# **T-Swap Audit Report**

Version 1.0

# T-Swap Audit Report

Trashpirate.io

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# **Protocol Summary**

This project is meant to be a permissionless way for users to swap assets between each other at a fair price. You can think of T-Swap as a decentralized asset/token exchange (DEX). T-Swap is known as an Automated Market Maker (AMM) because it doesn't use a normal "order book" style exchange, instead it uses "Pools" of an asset. It is similar to Uniswap. To understand Uniswap, please watch this video: Uniswap Explained

# **Disclaimer**

The TRASHPIRATE team makes all effort to find as many vulnerabilities in the code in the given time period, but holds no responsibilities for the findings provided in this document. A security audit by the team is not an endorsement of the underlying business or product. The audit was time-boxed and the review of the code was solely on the security aspects of the Solidity implementation of the contracts.

# **Risk Classification**

		Impact		
		High	Medium	Low
Likelihood	High	Н	H/M	М
	Medium	H/M	М	M/L
	Low	М	M/L	L

We use the CodeHawks severity matrix to determine severity. See the documentation for more details.

# **Audit Details**

Commit Hash: e643a8d4c2c802490976b538dd009b351b1c8dda

- Solc Version: 0.8.20

- Chain(s) to deploy contract to: Ethereum

- Tokens: Any ERC20 token

# Scope

```
1 ./src/
2 #-- PoolFactory.sol
3 #-- TSwapPool.sol
```

# Roles

- Liquidity Providers: Users who have liquidity deposited into the pools. Their shares are represented by the LP ERC20 tokens. They gain a 0.3% fee every time a swap is made.
- Users: Users who want to swap tokens.

# **Executive Summary**

This audit report was prepared as part of a security tutorial created by Patrick Collins (Cyfrin Updraft).

#### **Issues found**

Severity	Number of issues found	
High	4	
Medium	2	
Low	2	
Info	9	
Gas	0	
Total	16	

# **Findings**

# High

# [H-1] Wrong fee precision in the function TSwapPool::getInputAmountBasedOnOutput results in 10 times inflated fee amount

## **Description**

The precision value to calculate the fee amount the function TSwapPool::getInputAmountBasedOnOutput is 10000 instead of 1000. This results in the fee amount being inflated by a factor of 10 compared to the fee taken in TSwapPool::getOutputAmountBasedOnInput.

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 294

```
1 function getInputAmountBasedOnOutput(
      uint256 outputAmount,
      uint256 inputReserves,
      uint256 outputReserves
4
5)
6
     public
7
      pure
8 revertIfZero(outputAmount)
     revertIfZero(outputReserves)
9
10 returns (uint256 inputAmount)
11 {
12
      return
13 @> ((inputReserves * outputAmount) * 10000) /
14
          ((outputReserves - outputAmount) * 997);
15 }
```

#### **Impact**

The function TSwapPool::getInputAmountBasedOnOutput subtracts the wrong fee amount.

### **Proof of Concepts**

The function TSwapPool::getInputAmountBasedOnOutputreturns10 times the amount than the correct formula inputAmount = ((inputReserves \* outputAmount) \* 1000)/ ((outputReserves - outputAmount) \* 997).

Code

Place following code into TSwapPool.t.sol:

```
1 ```solidity
```

```
2 function testGetInputAmountBasedOnOutput() public {
       uint256 inputReserves = 100e18;
4
       uint256 outputReserves = 100e18;
5
       uint256 outputAmount = 10e18;
6
7
      uint256 expectedInputAmount = ((inputReserves * outputAmount) *
          1000) / ((outputReserves - outputAmount) * 997);
       uint256 actualInputAmount = pool.getInputAmountBasedOnOutput(
8
          outputAmount, inputReserves, outputReserves);
9
       assertEq(expectedInputAmount, actualInputAmount);
11 }
12
```

 $Change the \ precision \ value \ to \ 1000 \ in \ the \ function \ TS \ wap Pool: : getInputAmountBasedOnOutput$ 

•

```
function getInputAmountBasedOnOutput(
2
           uint256 outputAmount,
           uint256 inputReserves,
3
4
          uint256 outputReserves
5
           public
6
7
           pure
8
           revertIfZero(outputAmount)
9
           revertIfZero(outputReserves)
          returns (uint256 inputAmount)
10
11
           return ((inputReserves * outputAmount) * 1000) / ((
12 +
      outputReserves - outputAmount) * 997);
           return ((inputReserves * outputAmount) * 10000) / ((
13 -
      outputReserves - outputAmount) * 997);
14
```

# [H-2] Missing input parameter minInputAmount in the function TSwapPool::swapExactOutput can lead to front-running attacks

## **Description**

The function TSwapPool::swapExactOutput does not include the input parameter maxInputAmount which can lead to front-running attacks. The maxInputAmount parameter is used to specify the maximum amount of input tokens that the user is willing to swap. If the maxInputAmount is not specified, the user can be front-run by another user or a malicious actor and result in more input tokens than expected (user sells token at a lower price than expected).

1 Found Instances

• Found in src/TSwapPool.sol Line: 352

```
1 function swapExactOutput(
       IERC20 inputToken,
2
3
       IERC20 outputToken,
       uint256 outputAmount,
4
5
      uint64 deadline
6)
7
       public
       revertIfZero(outputAmount)
8
9
       revertIfDeadlinePassed(deadline)
       returns (uint256 inputAmount)
10
11 {
       uint256 inputReserves = inputToken.balanceOf(address(this));
12
       uint256 outputReserves = outputToken.balanceOf(address(this));
13
14
       inputAmount = getInputAmountBasedOnOutput(
15
16 @>
17
           outputAmount,
18
           inputReserves,
19
           outputReserves
20
       );
21
22
       _swap(inputToken, inputAmount, outputToken, outputAmount);
23 }
```

#### **Impact**

User can be front-run by another user and result less input tokens than expected.

# **Proof of Concepts**

- 1. User wants to swap 11 pool tokens for 10 weth tokens
- 2. Malicious actor manipulates the price of the token
- 3. User receives pays 18 tokens instead of 11

# Code

Place following code into TSwapPool.t.sol:

```
1 solidity
   function testSwapExactOutput() public {
3
      uint256 outputAmount = 10e18;
4
5
       // liquidity provider deposits
       vm.startPrank(liquidityProvider);
6
7
       weth.approve(address(pool), 100e18);
8
       poolToken.approve(address(pool), 100e18);
9
       pool.deposit(100e18, 100e18, 100e18, uint64(block.timestamp));
10
       vm.stopPrank();
11
```

```
12
       // set up user
13
       poolToken.mint(user, 200e18);
14
15
       uint256 initialPoolTokenBalance = poolToken.balanceOf(user);
16
       uint256 initialWethBalance = weth.balanceOf(user);
17
18
       // user does regular swap
19
       vm.startPrank(user);
       poolToken.approve(address(pool), type(uint256).max);
21
       pool.swapExactOutput(poolToken, weth, outputAmount, uint64(block.
           timestamp));
22
       vm.stopPrank();
23
       uint256 finalPoolTokenBalance = poolToken.balanceOf(user);
24
25
       uint256 tokenDifference = initialPoolTokenBalance -
           finalPoolTokenBalance;
26
       console.log("PoolToken Difference: ", tokenDifference);
27
28
        address malicousUser = makeAddr("malicousUser");
29
        poolToken.mint(malicousUser, 200e18);
       // malicous user does swap just before user
32
       vm.startPrank(malicousUser);
       poolToken.approve(address(pool), type(uint256).max);
33
34
       pool.swapExactOutput(poolToken, weth, outputAmount, uint64(block.
           timestamp));
       vm.stopPrank();
        // user does swap
37
       vm.startPrank(user);
39
       poolToken.approve(address(pool), type(uint256).max);
40
       pool.swapExactOutput(poolToken, weth, outputAmount, uint64(block.
           timestamp));
41
       vm.stopPrank();
42
43
       uint256 finalPoolTokenBalanceAfterMEV = poolToken.balanceOf(user);
       uint256 tokenDifferenceAfterMEV = finalPoolTokenBalance -
44
           finalPoolTokenBalanceAfterMEV;
45
        assertGt(tokenDifferenceAfterMEV, tokenDifference);
46
47
       console.log("PoolToken Difference After MEV: ",
           tokenDifferenceAfterMEV);
48
   }
49
```

Add imput parameter maxInputAmount to the function TSwapPool::swapExactOutput so the function reverts if a specified token amount (maxInputAmount) is exceeded.

```
1 function swapExactOutput(
```

```
IERC20 inputToken,
3 +
           uint256 maxInputAmount,
4
           IERC20 outputToken,
5
           uint256 outputAmount,
           uint64 deadline
6
7
       )
8
           public
           revertIfZero(outputAmount)
9
           revertIfDeadlinePassed(deadline)
           returns (uint256 inputAmount)
11
12
13
           uint256 inputReserves = inputToken.balanceOf(address(this));
14
           uint256 outputReserves = outputToken.balanceOf(address(this));
15
           inputAmount = getInputAmountBasedOnOutput(
17
               outputAmount,
18
               inputReserves,
19
               outputReserves
20
           );
21 +
           if(inputAmount > maxInputAmount) {
22 +
               revert revert();
23 +
           }
24
           _swap(inputToken, inputAmount, outputToken, outputAmount);
       }
25
```

# [H-3] False function call in TSwapPool::sellPoolTokens function leads to wrong output amount

#### Description

Instead of calling the function swapExactOutput in the function TSwapPool::sellPoolTokens, the function swapExactInput is called. This results in the wrong output amount being calculated and returned.

#### 1 Found Instances

Found in src/TSwapPool.sol Line: 369

```
function sellPoolTokens(
      uint256 poolTokenAmount
3 ) external returns (uint256 wethAmount) {
4
      return
5 @>
          swapExactOutput(
6
              i_poolToken,
7
              i_wethToken,
8
             poolTokenAmount,
9
              uint64(block.timestamp)
10
          );
11 }
```

#### **Impact**

Swap logic of the function TSwapPool::sellPoolTokens is incorrect and returns the wrong output amount.

#### **Proof of Concepts**

1. user is using TSwapPool::swapExactInput using the exact tokenAmount they want to sell 2. user receives 9.066 WETH tokens and sells 10.00PoolTokens 3. user is using TSwapPool:: sellPoolTokens using the exact tokenAmount they want to sell 4. user receives 10 WETH tokens and sells 13.63 PoolTokens

#### Code

Place following code into TSwapPool.t.sol:

```
1 solidity
2 function testSellPoolToken() public {
3
      uint256 tokenAmount = 10e18;
       uint256 expectedWeth = 9e18;
4
5
       // liquidity provider deposits
6
7
       vm.startPrank(liquidityProvider);
8
       weth.approve(address(pool), 100e18);
9
       poolToken.approve(address(pool), 100e18);
       pool.deposit(100e18, 100e18, 100e18, uint64(block.timestamp));
10
11
       vm.stopPrank();
12
13
       // set up user
       poolToken.mint(user, 200e18);
14
15
       vm.prank(user);
       poolToken.approve(address(pool), type(uint256).max);
16
17
18
       uint256 initialPoolTokenBalance = poolToken.balanceOf(user);
19
       uint256 initialWethBalance = weth.balanceOf(user);
20
       // user does regular swap using the swapExactInput function
21
22
       vm.prank(user);
23
       pool.swapExactInput(poolToken, tokenAmount, weth, expectedWeth,
           uint64(block.timestamp));
24
       uint256 intermediatePoolTokenBalance = poolToken.balanceOf(user);
25
26
       uint256 intermediateWethBalance = weth.balanceOf(user);
       uint256 tokensSold1 = initialPoolTokenBalance -
27
           intermediatePoolTokenBalance;
       uint256 wethReceived1 = intermediateWethBalance -
28
           initialWethBalance;
29
       // tokensSold1 = 10.0000000000000000 PoolToken
       // wethReceived1 = 9.066108938801491315 WETH
31
32
       // user swap with helper function
       vm.prank(user);
```

```
pool.sellPoolTokens(tokenAmount);
       uint256 tokensSold2 = intermediatePoolTokenBalance - poolToken.
           balanceOf(user);
       uint256 wethReceived2 = weth.balanceOf(user) -
          intermediateWethBalance;
       // tokensSold2 = 13.632236326745931084 PoolToken
37
38
       // wethReceived2 = 10.00000000000000000 WETH
39
       assertEq(tokensSold1, tokenAmount);
40
       assertEq(tokensSold2, tokenAmount);
41
42
       assertEq(wethReceived1, wethReceived2);
43 }
44
45
```

Replace the function call swapExactOutput with swapExactInput in the function TSwapPool::sellPoolTokens. A slippage parameter such as minOutputAmount should be added to the function signature.

```
function sellPoolTokens(
uint256 poolTokenAmount,

+ uint256 minOutputAmount
) external returns (uint256 wethAmount) {

return swapExactOutput(i_poolToken, i_wethToken, poolTokenAmount, uint64(block.timestamp));

return swapExactInput(i_poolToken, poolTokenAmount, i_wethToken, minOutputAmount, uint64(block.timestamp));

minOutputAmount, uint64(block.timestamp));

}
```

# [H-4] In TSwapPool::\_swap the extra tokens given to users after every swapCount breaks the protocol invariant of x \* y = k

#### **Description**

The protocol follows a strict invariant of  $x \star y = k$ . Where: - x is the amount of pool token - y is the amount of WETH - k is the constant product value of the two balances

This means whenever the balances change in the protocol, the ratio between the two amounts should remain constant. However, this is broken due to the extra incentive in the \_swap function. Meaning that over time the protocol funds will be drained.

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 400

```
function _swap(IERC20 inputToken, uint256 inputAmount, IERC20
outputToken, uint256 outputAmount) private {
```

```
if (_isUnknown(inputToken) || _isUnknown(outputToken) ||
               inputToken == outputToken) {
3
               revert TSwapPool__InvalidToken();
           }
4
6
           swap_count++;
7 @>
           if (swap_count >= SWAP_COUNT_MAX) {
8 @>
               swap\_count = 0;
9 a>
               outputToken.safeTransfer(msg.sender, 1
       _000_000_000_000_000_000);
10 @>
           }
11
           emit Swap(msg.sender, inputToken, inputAmount, outputToken
               , outputAmount);
12
13
           inputToken.safeTransferFrom(msg.sender, address(this),
               inputAmount);
14
           outputToken.safeTransfer(msg.sender, outputAmount);
       }
15
```

## **Impact**

A user could maliciously drain the protocol funds by doing many swaps of low amounts and collecting the extra incentive given out by the protocol. This means the protocol's core invariant is broken.

### **Proof of Concepts**

User swaps 10 times a small amount of WETH and the protocol's invariant is broken.

Code

Place following code into TSwapPool.t.sol:

```
solidity
   function testInvariantBroken() public {
       vm.startPrank(liquidityProvider);
3
4
       weth.approve(address(pool), 100e18);
5
       poolToken.approve(address(pool), 100e18);
6
       pool.deposit(100e18, 100e18, 100e18, uint64(block.timestamp));
       vm.stopPrank();
7
8
9
       vm.startPrank(user);
       poolToken.approve(address(pool), 10e18);
11
       uint256 outputWeth = 10e15;
       int256 startingY = int256(weth.balanceOf(address(pool)));
13
14
       int256 expectedDeltaY = int256(-1) * int256(outputWeth);
15
16
       uint256 numberOfSwaps = 10;
17
       vm.startPrank(user);
18
       poolToken.approve(address(pool), type(uint256).max);
19
       for (uint256 index = 0; index < numberOfSwaps; index++) {</pre>
20
           pool.swapExactOutput(poolToken, weth, outputWeth, uint64(block.
```

```
timestamp));
21  }
22  vm.stopPrank();
23
24  uint256 endingY = weth.balanceOf(address(pool));
25  int256 actualDeltaY = int256(endingY) - int256(startingY);
26
27  assertEq(actualDeltaY, expectedDeltaY);
28 }
29  ...
```

Several options are available to mitigate this issue: 1. Remove the extra incentive 2. Account for change in the x \* y = k protocol invariant 3. Process extra incentive the same way as the protocol fees

```
function _swap(IERC20 inputToken, uint256 inputAmount, IERC20
          outputToken, uint256 outputAmount) private {
2
           if (_isUnknown(inputToken) || _isUnknown(outputToken) ||
               inputToken == outputToken) {
               revert TSwapPool__InvalidToken();
4
           }
5
6
           swap_count++;
7 -
           if (swap_count >= SWAP_COUNT_MAX) {
8 -
               swap_count = 0;
9 -
               outputToken.safeTransfer(msg.sender, 1
       _000_000_000_000_000_000);
10
           }
           emit Swap(msg.sender, inputToken, inputAmount, outputToken,
              outputAmount);
12
           inputToken.safeTransferFrom(msg.sender, address(this),
13
              inputAmount);
           outputToken.safeTransfer(msg.sender, outputAmount);
14
15
       }
```

#### Medium

# [M-1] TSwapPool: deposit is missing deadline check causing transactions to complete even after deadline

# Description

The deposit functino accepts a deadline parameter, which according to the documentation is The deadline **for** the transaction to be completed by. However, this parameter is never used. As a consequence, operations that add liquidity to the pool might be executed at unexpected times, in market conditions where the deposit rate is unfavorable.

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 117

```
function deposit(
    uint256 wethToDeposit,
    uint256 minimumLiquidityTokensToMint,
    uint256 maximumPoolTokensToDeposit,

@> uint64 deadline

becomes a continued of the continued of
```

# **Impact**

Transactions could be sent when market conditions are unfavorable to deposit, even when adding a deadline parameter.

# **Proof of Concepts**

The deadline parameter is unused.

**Compiler Output** 

Following compiler warning indicates unused deadline parameter:

#### **Recommended mitigation**

Consider following change to the function:

```
1
       function deposit(
2
          uint256 wethToDeposit,
          uint256 minimumLiquidityTokensToMint,
3
          uint256 maximumPoolTokensToDeposit,
4
5
       @> uint64 deadline
6
7
          external
8 +
          revertIfDeadlinePassed(deadline);
          revertIfZero(wethToDeposit)
9
10
          returns (uint256 liquidityTokensToMint)
11
       { }
```

T-Swap Audit Report

# [M-2] Rebase, fee-on-transfer, and ERC777 tokens break protocol invariant

### **Description**

The protocol follows a strict invariant of x \* y = k. Where: - x is the amount of pool token - y is the amount of WETH - k is the constant product value of the two balances

This means whenever the balances change in the protocol, the ratio between the two amounts should remain constant. However, this is broken when the token amount is manipulated on transfer as it is the case for ERC20 tokens that have transfer/swap fees because it is not accounted for in the TSwapPool:: swap function.

#### 1 Found Instances

Found in src/TSwapPool.sol Line: 385

```
1 function _swap(...){...}
```

#### **Impact**

A user could maliciously drain the protocol funds by doing many swaps with a poorly designed ERC20 token. This means the protocol's core invariant is broken.

### **Proof of Concepts**

User swaps an ERC20 with fees on transfer multiple times and breaks the protocol invariant.

Code

Place following code into TSwapPool.t.sol:

```
1 solidity
2 function testStrangeERC20() public {
3
       vm.startPrank(liquidityProvider);
4
       ERC20FeeOnTransferMock strangeToken = new ERC20FeeOnTransferMock();
       TSwapPool strangePool = new TSwapPool(address(strangeToken),
5
           address(weth), "LTokenA", "LA");
6
       weth.approve(address(strangePool), 100e18);
7
       strangeToken.approve(address(strangePool), 100e18);
       strangePool.deposit(100e18, 100e18, 100e18, uint64(block.timestamp)
8
9
       strangeToken.transfer(user, 100e18);
10
       vm.stopPrank();
11
12
       vm.startPrank(user);
13
       strangeToken.approve(address(strangePool), 10e18);
14
15
       uint256 outputWeth = 10e15;
       int256 startingY = int256(weth.balanceOf(address(strangePool)));
16
       int256 expectedDeltaY = int256(-1) * int256(outputWeth);
17
18
```

```
19
       uint256 numberOfSwaps = 2;
20
       vm.startPrank(user);
       strangeToken.approve(address(strangePool), type(uint256).max);
21
       for (uint256 index = 0; index < numberOfSwaps; index++) {</pre>
22
23
            strangePool.swapExactOutput(strangeToken, weth, outputWeth,
               uint64(block.timestamp));
24
       }
25
26
       vm.stopPrank();
27
28
       uint256 endingY = weth.balanceOf(address(strangePool));
29
       int256 actualDeltaY = int256(endingY) - int256(startingY);
31
       assertEq(actualDeltaY, expectedDeltaY);
32 }
```

1. Prevent ERC20 tokens with fees, rebase, or ERC777 2. Account for change in the x \* y = k protocol invariant

#### Low

### [L-1] Event parameters inTSwapPool::\_addLiquidityMintAndTransfer' function are incorrect resulting in wrong event logs

### **Description**

The event definition TSwapPool::LiquidityAdded indicates that the first parameter is the liquidityProvider address, the second parameter is the wethDeposited amount, and the third parameter is the poolTokensDeposited amount. However, the event is emitted with the parameters in the wrong order - poolTokenDeposit in second, and wethDeposit in third position. This results in the event logs being incorrect.

```
1 event LiquidityAdded(
2         address indexed liquidityProvider,
3         uint256 wethDeposited,
4         uint256 poolTokensDeposited
5 );
```

# 1 Found Instances

• Found in src/TSwapPool.sol Line: 196

```
emit LiquidityAdded(msg.sender, poolTokensToDeposit, wethToDeposit)
;
```

**Recommended mitigation** Swap event paramters in second and third position.

```
1 + emit LiquidityAdded(msg.sender, wethToDeposit, poolTokensToDeposit)
;
2 - emit LiquidityAdded(msg.sender, poolTokensToDeposit, wethToDeposit)
;
```

# [L-2] Unused return value in TSwapPool::swapExactInput function is unused and should be removed

## **Description**

The return value of the TSwapPool:: swapExactInput function is not used and will always return zero. This could cause confusion as a value is expected based on the function defintion.

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 308

```
1 function swapExactInput(
    IERC20 inputToken,
3
     uint256 inputAmount,
     IERC20 outputToken,
4
      uint256 minOutputAmount,
6
     uint64 deadline
7)
    public
8
9
     revertIfZero(inputAmount)
10
     revertIfDeadlinePassed(deadline)
11 returns (
12 @> uint256 output
13
14 {}
```

#### **Impact**

The return value of the TSwapPool:: swapExactInput function is not used and will always return zero possibly causing confusion or disrupt functionality that depends on the return value.

# **Proof of Concepts**

- 1. Liquidity is provided
- 2. User swaps tokens
- 3. The function TSwapPool::swapExactInput always returns 0 regardless of the input value

Code

Place following code into TSwapPool.t.sol:

```
solidity
2 function testSwapExactInputAlwaysReturnsZero(uint256 tokenAmount)
3
       tokenAmount = bound(tokenAmount, 1, 100e18);
4
       uint256 wethAmount = 100e18;
5
       // set up liquidity pool
       vm.startPrank(liquidityProvider);
       weth.approve(address(pool), type(uint256).max);
8
9
       poolToken.approve(address(pool), type(uint256).max);
10
       pool.deposit(wethAmount, wethAmount, 2 * tokenAmount, uint64(block.
          timestamp));
11
       vm.stopPrank();
13
       // set up user
       poolToken.mint(user, tokenAmount);
14
15
       vm.startPrank(user);
       poolToken.approve(address(pool), type(uint256).max);
16
17
18
       // swap
19
       uint256 output = pool.swapExactInput(poolToken, tokenAmount, weth,
           0, uint64(block.timestamp));
       assertEq(output, 0);
20
21
   }
```

There are two options to mitigate this issue:

- 1. Remove the return value from the function definition.
- 2. Rename the return value from output to output Amount.

```
function swapExactInput(
           IERC20 inputToken,
3
           uint256 inputAmount,
4
           IERC20 outputToken,
5
           uint256 minOutputAmount,
           uint64 deadline
6
7
       )
8
           public
9
           revertIfZero(inputAmount)
           revertIfDeadlinePassed(deadline)
10
11
           returns (
              uint256 output
12 -
13 +
               uint256 outputAmount
14
           )
15
       {}
```

#### Informational

# [I-1] PoolFactory\_\_PoolDoesNotExist is not used and should be removed

```
1 - error PoolFactory__PoolDoesNotExist(address tokenAddress);
```

# [I-2] Wrong naming of liquidityTokenSymbol in PoolFactory::createPool can lead to confusion and illegibility

### **Description**

For the naming of the liquidityTokenSymbol in the PoolFactory::createPool function, the IERC20(tokenAddress).name() is used instead of IERC20(tokenAddress).symbol (). This can lead to confusion and illegibility of the codebase.

```
function createPool(address tokenAddress) external returns (address) {
2
           if (s_pools[tokenAddress] != address(0)) {
3
               revert PoolFactory__PoolAlreadyExists(tokenAddress);
4
           string memory liquidityTokenName = string.concat("T-Swap ",
5
               IERC20(tokenAddress).name());
           string memory liquidityTokenSymbol = string.concat("ts", IERC20
6 +
       (tokenAddress).symbol());
           string memory liquidityTokenSymbol = string.concat("ts", IERC20
7
       (tokenAddress).name());
8
           TSwapPool tPool = new TSwapPool(tokenAddress, i_wethToken,
               liquidityTokenName, liquidityTokenSymbol);
9
           s_pools[tokenAddress] = address(tPool);
10
           s_tokens[address(tPool)] = tokenAddress;
12
           emit PoolCreated(tokenAddress, address(tPool));
13
           return address(tPool);
14
       }
```

#### [I-3] Event is missing indexed fields

#### **Description**

Index event fields make the field more quickly accessible to off-chain tools that parse events. However, note that each index field costs extra gas during emission, so it's not necessarily best to index the maximum allowed per event (three fields). Each event should use three indexed fields if there are three or more fields, and gas usage is not particularly of concern for the events in question. If there are fewer than three fields, all of the fields should be indexed.

#### **4 Found Instances**

• Found in src/PoolFactory.sol Line: 35

```
event PoolCreated(address tokenAddress, address poolAddress);
```

• Found in src/TSwapPool.sol Line: 52

```
1 event LiquidityAdded(
```

• Found in src/TSwapPool.sol Line: 57

```
1 event LiquidityRemoved(
```

Found in src/TSwapPool.sol Line: 62

```
1 event Swap(
```

# [I-4] Missing zero checks can lead to false initialzation of immutable variables in constructor

#### **Description**

When initializing immutable address variables in the constructor it is recommended to check for zero address to avoid false initialization that cannot be later.

### 2 Found Instances

• Found in src/PoolFactory.sol Line: 41

```
i_wethToken = wethToken;
```

• Found in src/TSwapPool.sol Line: 96

```
i_wethToken = IERC20(wethToken);
i_poolToken = IERC20(poolToken);
```

### **Recommended mitigation**

Add zero address check to the PoolFactory::constructor and TSwapPool::constructor functions.

# Example:

```
constructor(address wethToken) {
    if(wethToken == address(0)) {
        revert PoolFactory_ZeroAddress(wethToken);
    }
    i_wethToken = IERC20(wethToken);
}
```

# [I-5] public functions not used internally could be marked external

Instead of marking a function as **public**, consider marking it as external if it is not used internally.

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 298

```
1 function swapExactInput(
```

# [I-6] Define and use constant variables instead of using literals

If the same constant literal value is used multiple times, create a constant state variable and reference it throughout the contract.

# 4 Found Instances

• Found in src/TSwapPool.sol Line: 276

```
uint256 inputAmountMinusFee = inputAmount * 997;
```

• Found in src/TSwapPool.sol Line: 295

```
1 ((outputReserves - outputAmount) * 997);
```

• Found in src/TSwapPool.sol Line: 454

```
1 1e18,
```

Found in src/TSwapPool.sol Line: 463

```
1 1e18,
```

# [I-7] State variable TSwapPool::poolTokenReserves is not used and should be removed

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 131

```
uint256 poolTokenReserves = i_poolToken.balanceOf(address(this
));
```

# [I-8] Error parameter TSwapPool:: MINIMUM\_WETH\_LIQUIDITY is constant and can be removed

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 125

# [I-9] The function TSwapPool::\_addLiquidityMintAndTransfer contains external calls and therefor should be used in CEI (Check-Effects-Interactions) pattern

#### 1 Found Instances

• Found in src/TSwapPool.sol Line: 177

```
else {
1
               // This will be the "initial" funding of the protocol. We
2
                  are starting from blank here!
3
               // We just have them send the tokens in, and we mint
                  liquidity tokens based on the weth
4
              liquidityTokensToMint = wethToDeposit;
               _addLiquidityMintAndTransfer(wethToDeposit,
5
                  maximumPoolTokensToDeposit, wethToDeposit);
              liquidityTokensToMint = wethToDeposit;
6 -
          }
7
```