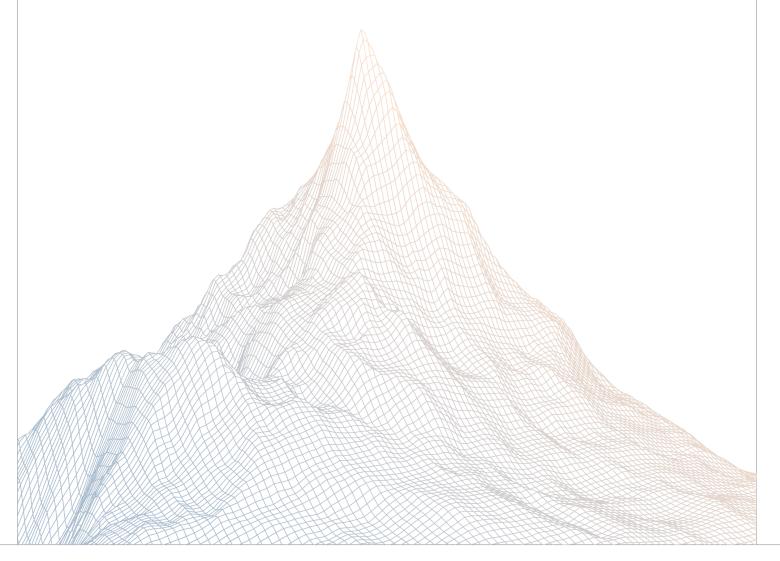


PartyDAO

Smart Contract Security Assessment

VERSION 1.1



AUDIT DATES:

AUDITED BY:

February 25th to February 26th, 2025

ethersky ladboy

1	Intro	oduction	2
	1.1	About Zenith	3
	1.2	Disclaimer	3
	1.3	Risk Classification	3
2	Exec	cutive Summary	3
	2.1	About PartyDAO	4
	2.2	Scope	4
	2.3	Audit Timeline	5
	2.4	Issues Found	5
3	Find	ings Summary	5
4	Find	ings	7
	4.1	High Risk	8
	4.2	Medium Risk	32
	4.3	Low Risk	40
	4.4	Informational	45



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Introduction

1.1 About Zenith

Zenith is an offering by Code4rena that provides consultative audits from the very best security researchers in the space. We focus on crafting a tailored security team specifically for the needs of your codebase.

Learn more about us at https://code4rena.com/zenith.

1.2 Disclaimer

This report reflects an analysis conducted within a defined scope and time frame, based on provided materials and documentation. It does not encompass all possible vulnerabilities and should not be considered exhaustive.

The review and accompanying report are presented on an "as-is" and "as-available" basis, without any express or implied warranties.

Furthermore, this report neither endorses any specific project or team nor assures the complete security of the project.

1.3 Risk Classification

SEVERITY LEVEL	IMPACT: HIGH	IMPACT: MEDIUM	IMPACT: LOW
Likelihood: High	Critical	High	Medium
Likelihood: Medium	High	Medium	Low
Likelihood: Low	Medium	Low	Low

2

Executive Summary

2.1 About PartyDAO

The Party Protocol provides on-chain functionality for group formation, coordination, and distribution, with the goal of making Ethereum multiplayer.

The Party Protocol powers secure commercial transactions through crowdfunding, on-chain payments and transactions, and distributions to Party members.

2.2 Scope

The engagement involved a review of the following targets:

Target	yield
Repository	https://github.com/PartyDAO/yield
Commit Hash	400a9d9ad6dd12958ac4467d6d8278ba56ab6dfd
Files	ERC4626CrossChainPort.sol ERC4626CrossChainAdapter.sol

2.3 Audit Timeline

February 25, 2025	Audit start
February 26, 2025	Audit end
March 17, 2025	Report published

2.4 Issues Found

SEVERITY	COUNT
Critical Risk	0
High Risk	8
Medium Risk	4
Low Risk	4
Informational	4
Total Issues	20



3

Findings Summary

ID	Description	Status
H-1	The deposit will be reverted in an Adapter because the confirmation relayer fee cannot be sent to ACROSS	Resolved
H-2	The confirmation relayer fee is accidentally removed from the withdrawal amount in an Adapter	Resolved
H-3	The confirmation relayer fee is not considered when depositing assets into an ERC4626 vault in an Adapter	Resolved
H-4	There is a conflict in the encoding and decoding of a message between the Port and Adapter	Resolved
H-5	Arbitrary relayers can be set when submitting either a deposit or a withdrawal batch	Resolved
H-6	The withdrawBatchId is incorrectly updated in the submitUnlockedDepositsWithdrawBatch function	Resolved
H-7	Lack of token allowance when deposit to the vault in Adapter.sol	Resolved
H-8	Refunded deposit is locked in the contract	Resolved
M-1	Users can lose their shares without claiming the actual assets in the claimUnlockedDepositWithdraw function	Resolved
M-2	Revert condition in external call Vault#deposit and Vault#redeem is not handled	Resolved
M-3	Minimum relayer fee should not be proportional to total deposit amount in the Port.sol	Resolved
M-4	User can set confirmation relayer fee or submission relayer fee to 0 to disincentivize relayer from filling the cross-chain message.	Resolved
L-1	There is no function to update approved relayers in the Port	Resolved
L-2	User can frontrun the submission by canceling withdraw to force submitQueuedWithdrawBatch to revert	Acknowledged

ID	Description	Status
L-3	Consider add setter for immutable variable	Resolved
L-4	Consider use uint256 instead of uint16 for round tracking	Resolved
1-1	Users may lose some assets due to the fee	Resolved
I-2	The check for sharesRedeemed can be added to the validateWithdraw function	Resolved
I-3	The 1-hour deadline should be adjusted	Resolved
I-4	The addresses for the contracts on the destination chain can be stored	Acknowledged

4

Findings

4.1 High Risk

A total of 8 high risk findings were identified.

[H-1] The deposit will be reverted in an Adapter because the confirmation relayer fee cannot be sent to ACROSS

SEVERITY: High	IMPACT: High
STATUS: Resolved	LIKELIHOOD: High

Target

• ERC4626CrossChainAdapter.sol

Description:

When a deposit is submitted to the Adapter, the minted shares amount is confirmed by the confirmation relayer. To do this, the caller must set the confirmation relayer fee when submitting a deposit in the Port.

However, in the $_$ onDepositSubmitted function of the Adapter, the confirmation is sent using the $_$ sendMessageAcrossChain function.

• ERC4626CrossChainAdapter.sol#L100

```
function _onDepositSubmitted(
    uint16 depositRoundId,
    uint96 totalAssetsToDeposit,
    address relayer,
    uint96 relayFee
) internal {
    // Deposit assets into vault and get shares minted
    uint256 sharesMintedFromVault = VAULT.deposit({
        assets: totalAssetsToDeposit,
        receiver: address(this)
    });

    // Send confirmation message back to port
    _sendMessageAcrossChain({
        relayer: relayer,
```

This function lacks an approval step for ACROSS, even though this transaction attempts to send the confirmation relayer fee to ACROSS.

• ERC4626CrossChainAdapter.sol#L146-L148

```
function _sendMessageAcrossChain(address relayer, uint96 relayFee,
   uint32 deadline, bytes memory message) internal {
   ACROSS.depositV3({
       depositor: address(this),
       recipient: address(PORT),
       inputToken: address(ASSET),
       outputToken: address(PORT_CHAIN_ASSET),
@->
           inputAmount: relayFee, // non-zero
       outputAmount: 0,
       destinationChainId: PORT_CHAIN_ID,
       exclusiveRelayer: relayer,
       quoteTimestamp: uint32(block.timestamp),
       fillDeadline: deadline,
       exclusivityDeadline: deadline,
       message: message
   });
}
```

Since ACROSS does not have approval, the transaction will be reverted.

Recommendations:

```
function _onDepositSubmitted(uint16 depositRoundId,
   uint96 totalAssetsToDeposit, address relayer, uint96 relayFee)
   internal {
// Deposit assets into vault and get shares minted
```



```
uint256 sharesMintedFromVault = VAULT.deposit({ assets:
   totalAssetsToDeposit, receiver: address(this) });
// Send confirmation message back to port
   -^^I sendMessageAcrossChain({ relayer: relayFee: relayFee,
   deadline: uint32(block.timestamp + 1 hours), message:
   abi.encode(ConfirmationType.Deposit, DepositConfirmation({
   confirmationType: ConfirmationType.Deposit, depositRoundId:
   depositRoundId, totalSharesMinted: uint96(sharesMintedFromVault) })) });
_transferAssetsAcrossChain({
      assets: relayFee,
      relayer: relayer,
      relayFee: relayFee,
      deadline: uint32(block.timestamp + 1 hours),
      message: abi.encode(
          ConfirmationType.Deposit,
          DepositConfirmation({
              confirmationType: ConfirmationType.Deposit,
              depositRoundId: depositRoundId,
           totalSharesMinted: uint96(sharesMintedFromVault)
       })
```

PartyDAO: Resolved with PR-9



[H-2] The confirmation relayer fee is accidentally removed from the withdrawal amount in an Adapter

SEVERITY: High	IMPACT: Medium
STATUS: Resolved	LIKELIHOOD: High

Target

• ERC4626CrossChainAdapter.sol

Description:

Suppose the caller sets 100 as the submission relayer fee and 100 as the confirmation relayer fee, and submits a withdrawal batch using the submitQueuedWithdrawBatch function.

• ERC4626CrossChainPort.sol#L344-L348

```
function submitQueuedWithdrawBatch(
   address[] calldata users,
   address submissionRelayer,
   uint96 submissionRelayFee,
   address confirmationRelayer,
   uint96 confirmationRelayFee,
   Permit2 memory permit
) external payable returns (uint16 withdrawBatchId) {
   WithdrawBatch storage withdrawBatch = withdrawBatches[withdrawBatchId];
   withdrawBatch.totalSharesRedeemed = totalSharesToRedeem;
   withdrawBatch.totalAssetsDeposited = totalAssetsDeposited;
    _transferAssetsAcrossChain({
           assets: totalRelayFee, // 200
       relayer: submissionRelayer,
           relayFee: submissionRelayFee, // 100
@->
       deadline: uint32(block.timestamp + 1 hours),
       message: abi.encode(
           WithdrawSubmission({
               \verb"submissionType: SubmissionType.Withdraw",
               withdrawBatchId: withdrawBatchId,
               totalSharesToRedeem: totalSharesToRedeem,
                confirmationRelayer: confirmationRelayer,
```



The total amount of 200 (which is the sum of both fees) is transferred to ACROSS, and the confirmation relayer fee is transferred to the Adapter for confirmation.

In the _onWithdrawSubmitted function, the assets related to the redeemed shares are withdrawn from the vault at line 116.

• ERC4626CrossChainAdapter.sol#L116

```
function _onWithdrawSubmitted(
   uint16 withdrawBatchId,
   uint96 totalSharesToRedeem,
   address relayer,
   uint96 relayFee
) internal {
116: uint256 assetsWithdrawnFromVault = VAULT.redeem({
        shares: totalSharesToRedeem,
       receiver: address(this),
       owner: address(this)
   });
    _transferAssetsAcrossChain({
       assets: uint96(assetsWithdrawnFromVault),
       relayer: relayer,
@->
           relayFee: relayFee, // 100
       deadline: uint32(block.timestamp + 1 hours),
       message: abi.encode(
           ConfirmationType.Withdraw,
           WithdrawConfirmation({
               confirmationType: ConfirmationType.Withdraw,
               withdrawBatchId: withdrawBatchId
           })
        )
   });
}
```

The sum of these withdrawn assets and the confirmation relayer fee (100) should be transferred to ACROSS. By doing this, the confirmation relayer fee will be charged by the relayer on the ACROSS side, and the exact withdrawal amount will be transferred to the Port.



However, only the withdrawn assets are transferred to ACROSS, and unfortunately, the defined confirmation relayer fee is deducted from this amount.

Recommendations:

```
function onWithdrawSubmitted(
   uint16 withdrawBatchId,
   uint96 totalSharesToRedeem,
   address relayer,
   uint96 relayFee
) internal {
   // Redeem shares from vault for assets
   uint256 assetsWithdrawnFromVault = VAULT.redeem({
       shares: totalSharesToRedeem,
       receiver: address(this),
       owner: address(this)
   });
   // Transfer assets back to port with confirmation
    _transferAssetsAcrossChain({
       assets: uint96(assetsWithdrawnFromVault),
       assets: uint96(assetsWithdrawnFromVault + relayFee),
       relayer: relayer,
       relayFee: relayFee,
       deadline: uint32(block.timestamp + 1 hours),
       message: abi.encode(
           ConfirmationType.Withdraw,
           WithdrawConfirmation({
               confirmationType: ConfirmationType.Withdraw,
               withdrawBatchId: withdrawBatchId
           })
   });
}
```

PartyDAO: Resolved with PR-9

[H-3] The confirmation relayer fee is not considered when depositing assets into an ERC4626 vault in an Adapter

SEVERITY: High	IMPACT: Medium
STATUS: Resolved	LIKELIHOOD: High

Target

• ERC4626CrossChainAdapter.sol

Description:

Suppose the total amount in current deposit round is 2000, and this amount is submitted. The caller sets 100 as the submission relayer fee and 100 as the confirmation relayer fee. Therefore, the total assets to be transferred to ACROSS are 2200.

ERC4626CrossChainPort.sol#L232

```
function submitDepositRound(
   address submissionRelayer,
   uint96 submissionRelayFee,
   address confirmationRelayer,
   uint96 confirmationRelayFee,
   Permit2 memory permit
) external returns (uint16 depositRoundId) {
    uint96 totalRelayFee = submissionRelayFee + confirmationRelayFee; //
   200
    _transferAssetsAcrossChain({
          assets: depositRound.totalAssetsDeposited + totalRelayFee, //
   2200
       relayer: submissionRelayer,
           relayFee: submissionRelayFee, // 100
@->
       deadline: uint32(block.timestamp + 1 hours),
       message: abi.encode(
           DepositSubmission({
               submissionType: SubmissionType.Deposit,
               depositRoundId: depositRoundId,
               confirmationRelayer: confirmationRelayer,
               confirmationRelayFee: confirmationRelayFee
           })
```



```
)
});
_incrementDepositRound();
}
```

When the depositV3 function of ACROSS is called, the input amount is 2200, and the output amount is 2100.

• ERC4626CrossChainPort.sol#L488

```
function _transferAssetsAcrossChain(
   uint96 assets,
   address relayer,
   uint96 relayFee,
   uint32 deadline,
   bytes memory message
) internal {
   ASSET.approve({ spender: address(ACROSS), value: assets });
   ACROSS.depositV3({
       depositor: address(this),
       recipient: address(ADAPTER),
       inputToken: address(ASSET),
       outputToken: address(ADAPTER_CHAIN_ASSET),
@->
          inputAmount: assets, // 2200
          outputAmount: assets - relayFee, // 2200 - 100 = 2100
@->
       destinationChainId: ADAPTER_CHAIN_ID,
       exclusiveRelayer: relayer,
       quoteTimestamp: uint32(block.timestamp),
       fillDeadline: deadline,
       exclusivityDeadline: deadline,
       message: message
   });
}
```

The difference 100 is considered the relay fee in ACROSS (specifically for the submission relayer). ACROSS will transfer 2100 tokens to the Adapter on the destination chain.

In the _onDepositSubmitted function, the totalAssetsToDeposit parameter is 2100.

ERC4626CrossChainAdapter.sol#L97

```
function _onDepositSubmitted(
    uint16 depositRoundId,
    uint96 totalAssetsToDeposit,
    address relayer,
```



```
uint96 relayFee
) internal {
   // Deposit assets into vault and get shares minted
   uint256 sharesMintedFromVault = VAULT.deposit({
           assets: totalAssetsToDeposit, // 2100
       receiver: address(this)
   });
   // Send confirmation message back to port
   _sendMessageAcrossChain({
       relayer: relayer,
@->
           relayFee: relayFee, // 100
       deadline: uint32(block.timestamp + 1 hours),
       message: abi.encode(
           ConfirmationType.Deposit,
           DepositConfirmation({
               confirmationType: ConfirmationType.Deposit,
               depositRoundId: depositRoundId,
               totalSharesMinted: uint96(sharesMintedFromVault)
           })
        )
   });
}
```

However, these 2100 tokens are deposited to the vault, which also includes the confirmation relayer fee that will be used to send confirmation back to the Port.

Recommendations:

```
function _onDepositSubmitted(
    uint16 depositRoundId,
    uint96 totalAssetsToDeposit,
    address relayer,
    uint96 relayFee
) internal {
    // Deposit assets into vault and get shares minted
    uint256 sharesMintedFromVault = VAULT.deposit({
        assets: totalAssetsToDeposit,
        assets: totalAssetsToDeposit - relayFee,
        receiver: address(this)
    });

    // Send confirmation message back to port
    _sendMessageAcrossChain({
```



```
relayer: relayer,
    relayFee: relayFee,
    deadline: uint32(block.timestamp + 1 hours),
    message: abi.encode(
        ConfirmationType.Deposit,
        DepositConfirmation({
            confirmationType: ConfirmationType.Deposit,
                depositRoundId: depositRoundId,
                totalSharesMinted: uint96(sharesMintedFromVault)
        })
    )
});
```

PartyDAO: Approve Across to spend relayFee by calling SafeERC20.forceApprove(). Patched indirectly in and PR-9 and PR-11

[H-4] There is a conflict in the encoding and decoding of a message between the Port and Adapter

```
SEVERITY: High

IMPACT: High

STATUS: Resolved

LIKELIHOOD: High
```

Target

- ERC4626CrossChainPort.sol
- ERC4626CrossChainAdapter.sol

Description:

When submitting a deposit from a Port to an Adapter, the message is simply an encoding of the DepositSubmission struct.

• ERC4626CrossChainPort.sol#L232

```
function submitDepositRound(
   address submissionRelayer,
   uint96 submissionRelayFee,
   address confirmationRelayer,
   uint96 confirmationRelayFee,
   Permit2 memory permit
) external returns (uint16 depositRoundId) {
    _transferAssetsAcrossChain({
       assets: depositRound.totalAssetsDeposited + totalRelayFee,
       relayer: submissionRelayer,
       relayFee: submissionRelayFee,
       deadline: uint32(block.timestamp + 1 hours),
       message: abi.encode(
           DepositSubmission({
               submissionType: SubmissionType.Deposit,
               depositRoundId: depositRoundId,
               confirmationRelayer: confirmationRelayer,
               confirmationRelayFee: confirmationRelayFee
           })
   });
}
```

However, in the Adapter, it is decoded into a combination of ERC4626CrossChainPort.SubmissionType and DepositSubmission struct.

ERC4626CrossChainAdapter.sol#L169

```
function handleV3AcrossMessage(
   address tokenSent,
   uint256 amount,
   address relayer,
   bytes memory message
) external onlyAcross {
   require(isApprovedRelayer[relayer], "Unauthorized relayer");
    (ERC4626CrossChainPort.SubmissionType submissionType) =
        abi.decode(message, (ERC4626CrossChainPort.SubmissionType));
   if (submissionType = ERC4626CrossChainPort.SubmissionType.Deposit) {
       require(tokenSent = address(ASSET), "Unexpected token received");
        // Handle deposit submission
        (, ERC4626CrossChainPort.DepositSubmission memory depositSubmission)
   = abi.decode(
           message,
@->
               (ERC4626CrossChainPort.SubmissionType,
   ERC4626CrossChainPort.DepositSubmission)
       );
        onDepositSubmitted({
           depositRoundId: depositSubmission.depositRoundId,
           totalAssetsToDeposit: uint96(amount),
           relayer: depositSubmission.confirmationRelayer,
           relayFee: depositSubmission.confirmationRelayFee
       });
   }
}
```

The same issue occurs for withdrawals.

In contrast, for confirmations from an Adapter to a Port, the message is an encoding of ConfirmationType.Deposit and DepositConfirmation.

ERC4626CrossChainAdapter.sol#L100

```
function _onDepositSubmitted(
   uint16 depositRoundId,
   uint96 totalAssetsToDeposit,
   address relayer,
   uint96 relayFee
```



However, in the Port, it is decoded to DepositConfirmation only.

ERC4626CrossChainPort.sol#L473

```
function handleV3AcrossMessage(
   address tokenSent,
   uint256 amount,
   address relayer,
   bytes memory message
) external onlyAcross {
   require(isApprovedRelayer[relayer], "Unauthorized relayer");
       ERC4626CrossChainAdapter.ConfirmationType confirmationType
   ) = abi.decode(message, (ERC4626CrossChainAdapter.ConfirmationType));
   if (confirmationType =
   ERC4626CrossChainAdapter.ConfirmationType.Deposit) {
           ERC4626CrossChainAdapter.DepositConfirmation memory confirmation
@->
          ) = abi.decode(message,
   (ERC4626CrossChainAdapter.DepositConfirmation));
        _onDepositConfirmed(confirmation.depositRoundId,
   confirmation.totalSharesMinted);
   }
}
```

This conflict will block all communication between a Port and an Adapter.



Recommendations:

Update the encoding and decoding process between a Port and an Adapter and add thorough testing to ensure the cross-chain message works as intended.

PartyDAO: Ensure encoding/decoding logic consistency between contracts. Don't separately decode the SubmissionType, don't separately encode the ConfirmationType. Patched indirectly by removing need for SubmissionType and ConfirmationType in PR-9



[H-5] Arbitrary relayers can be set when submitting either a deposit or a withdrawal batch

SEVERITY: High	IMPACT: High
STATUS: Resolved	LIKELIHOOD: Medium

Target

• ERC4626CrossChainPort.sol

Description:

When submitting a deposit, the caller sets two relayers: the submission relayer and the confirmation relayer. However, there is no check to verify if these relayers are approved.

• ERC4626CrossChainPort.sol#L232

```
function submitDepositRound(address submissionRelayer,
   uint96 submissionRelayFee, address confirmationRelayer,
   uint96 confirmationRelayFee, Permit2 memory permit)
   external returns (uint16 depositRoundId) {
   depositRoundId = latestDepositRoundId;
   DepositRound storage depositRound = depositRounds[depositRoundId];
   require(depositRound.submittedAt = 0, "Deposit round already
   submitted");
   require(depositRound.totalAssetsDeposited > 0, "No assets to submit");
   // Bridge assets and send submission message to adapter
   transferAssetsAcrossChain({ assets: depositRound.totalAssetsDeposited
   + totalRelayFee, relayer: submissionRelayer, relayFee:
   submissionRelayFee, deadline: uint32(block.timestamp + 1 hours),
   message: abi.encode(DepositSubmission({ submissionType:
   SubmissionType.Deposit, depositRoundId: depositRoundId,
   confirmationRelayer: confirmationRelayer, confirmationRelayFee:
   confirmationRelayFee })) });
   _incrementDepositRound();
}
```

Additionally, the fillDeadline and exclusivityDeadline are both set to block.timestamp



- + 1 hour.
- ERC4626CrossChainPort.sol#L488

```
function _transferAssetsAcrossChain(uint96 assets, address relayer,
    uint96 relayFee, uint32 deadline, bytes memory message) internal {
    ASSET.approve({ spender: address(ACROSS), value: assets });
    ACROSS.depositV3({ depositor: address(this), recipient:
    address(ADAPTER), inputToken: address(ASSET), outputToken:
    address(ADAPTER_CHAIN_ASSET), inputAmount: assets, outputAmount: assets
    - relayFee, destinationChainId: ADAPTER_CHAIN_ID, exclusiveRelayer:
    relayer, quoteTimestamp: uint32(block.timestamp), fillDeadline:
    deadline, exclusivityDeadline: deadline, message: message });
}
```

This means that only the specified relayer can execute the transaction within ACROSS.

The exclusivityDeadline allows only the specified relayer to call the fillRelay function within one hour.

SpokePool.sol#L967-L972

```
function fillRelay(
   V3RelayData memory relayData,
   uint256 repaymentChainId,
   bytes32 repaymentAddress
) public override nonReentrant unpausedFills {
   // Exclusivity deadline is inclusive and is the latest timestamp that the
   exclusive relayer has sole right
   // to fill the relay.
   if (
        _fillIsExclusive(relayData.exclusivityDeadline,
   uint32(getCurrentTime())) &&
       relayData.exclusiveRelayer.toAddress() # msg.sender
   ) {
       revert NotExclusiveRelayer();
   _fillRelayV3(relayExecution, repaymentAddress, false);
}
```

After one hour, anyone can call this function, but since this exceeds the fillDeadline, the transaction will be reverted on the destination chain.

SpokePool.sol#L1648



```
function _fillRelayV3(
    V3RelayExecutionParams memory relayExecution,
    bytes32 relayer,
    bool isSlowFill
) internal {
    V3RelayData memory relayData = relayExecution.relay;
    if (relayData.fillDeadline < getCurrentTime())
    revert ExpiredFillDeadline();
}</pre>
```

As a result, setting arbitrary relayers effectively blocks the submission of a deposit and withdrawal batch.

Recommendations:

Add a check to ensure that the two relayers are approved in the submitDepositRound, submitQueuedWithdrawBatch, and submitUnlockedDepositsWithdrawBatch functions

PartyDAO: Add validation to ensure only approved relayers are used for cross-chain messages. Add setApprovalForRelayers() function to the Port contract similar to the one in the Adapter. Patched in PR-19



[H-6] The withdrawBatchld is incorrectly updated in the submitUnlockedDepositsWithdrawBatch function

SEVERITY: High	IMPACT: High
STATUS: Resolved	LIKELIHOOD: Medium

Target

• ERC4626CrossChainPort.sol

Description:

Suppose the latestWithdrawBatchId is currently 2. When a batch of queued withdrawals is submitted for some users using the submitQueuedWithdrawBatch function:

- At line 322, latestWithdrawBatchId increases by 1, and withdrawBatchId is set to this new value, which is 3.
- At line 345, the shares to be redeemed are stored in this withdrawal batch.
- ERC4626CrossChainPort.sol#L322

```
function submitQueuedWithdrawBatch(address[] calldata users,
   address submissionRelayer, uint96 submissionRelayFee,
   address confirmationRelayer, uint96 confirmationRelayFee,
   Permit2 memory permit) external payable returns (uint16 withdrawBatchId)
   // Expect caller to pay for total relay fee for withdraws.
   uint96 totalRelayFee = submissionRelayFee + confirmationRelayFee;
   PERMIT2.permitTransferFrom(ISignatureTransfer.PermitTransferFrom({
   permitted: ISignatureTransfer.TokenPermissions({ token: address(ASSET),
   amount: totalRelayFee }), nonce: permit.nonce, deadline:
   permit.deadline }), ISignatureTransfer.SignatureTransferDetails({ to:
   address(this), requestedAmount: totalRelayFee }), msg.sender,
   permit.signature);
322:
        withdrawBatchId = _incrementWithdrawBatch();
   WithdrawBatch storage withdrawBatch = withdrawBatches[withdrawBatchId];
        withdrawBatch.totalSharesRedeemed = totalSharesToRedeem;
   withdrawBatch.totalAssetsDeposited = totalAssetsDeposited;
```



```
_transferAssetsAcrossChain({ assets: totalRelayFee, relayer:
    submissionRelayer, relayFee: submissionRelayFee, deadline:
    uint32(block.timestamp + 1 hours), message:
    abi.encode(WithdrawSubmission({ submissionType: SubmissionType.Withdraw,
    withdrawBatchId: withdrawBatchId, totalSharesToRedeem:
    totalSharesToRedeem, confirmationRelayer: confirmationRelayer,
    confirmationRelayFee: confirmationRelayFee })) });
```

Now, suppose someone submits a batch withdrawal for unlocked deposit rounds using the submitUnlockedDepositsWithdrawBatch function:

- At line 366, the current latestWithdrawBatchId (3) is first assigned to withdrawBatchId and then increased by 1.
- As a result, withdrawBatchId remains 3, and the new shares are overwritten at line 394.
- ERC4626CrossChainPort.sol#L366

```
function submitUnlockedDepositsWithdrawBatch(uint16[]
   calldata depositRoundIds, address submissionRelayer,
   uint96 submissionRelayFee, address confirmationRelayer,
   uint96 confirmationRelayFee, Permit2 memory permit)
   external payable returns (uint16 withdrawBatchId) {
   // Expect caller to pay for total relay fee for withdraws.
   uint96 totalRelayFee = submissionRelayFee + confirmationRelayFee;
   PERMIT2.permitTransferFrom(ISignatureTransfer.PermitTransferFrom({
   permitted: ISignatureTransfer.TokenPermissions({ token: address(ASSET),
   amount: totalRelayFee }), nonce: permit.nonce, deadline:
   permit.deadline }), ISignatureTransfer.SignatureTransferDetails({ to:
   address(this), requestedAmount: totalRelayFee }), msg.sender,
   permit.signature);
366:
       withdrawBatchId = latestWithdrawBatchId++;
   WithdrawBatch storage withdrawBatch = withdrawBatches[withdrawBatchId];
       withdrawBatch.totalSharesRedeemed = totalSharesToRedeem;
   withdrawBatch.totalAssetsDeposited = totalAssetsDeposited;
   // Transfer some assets to cover relaying submission and confirmation.
   transferAssetsAcrossChain({ assets: totalRelayFee, relayer:
   submissionRelayer, relayFee: submissionRelayFee, deadline:
   uint32(block.timestamp + 1 hours), message:
   abi.encode(WithdrawSubmission({ submissionType: SubmissionType.Withdraw,
   withdrawBatchId: withdrawBatchId, totalSharesToRedeem:
```



```
totalSharesToRedeem, confirmationRelayer: confirmationRelayer,
  confirmationRelayFee: confirmationRelayFee })) });
}
```

Obviously, these two withdrawals are distinct but share the same withdrawBatchId. As a result, one of them is accidentally deleted. When these two withdrawals are confirmed, the rate between the shares and assets differs. However, users in both withdrawals will use the latest rate because the previous result is overwritten.

ERC4626CrossChainPort.sol#L406

```
function _onWithdrawConfirmed(uint16 withdrawBatchId,
    uint96 totalAssetsWithdrawn) internal {
    WithdrawBatch storage withdrawBatch = withdrawBatches[withdrawBatchId];

    // Take performance fee from assets withdrawn.
    uint96 fee;
    if (totalAssetsWithdrawn > withdrawBatch.totalAssetsDeposited) {
        uint96 gains = totalAssetsWithdrawn
        - withdrawBatch.totalAssetsDeposited;
        fee = gains.mulDiv(FEE_BPS, MAX_BPS).toUint96();
        ASSET.transfer(FEE_RECIPIENT, fee);
    }

    // Record remaining assets for users to claim.
    withdrawBatch.totalAssetsClaimable = totalAssetsWithdrawn - fee;
}
```

Recommendations:

```
function submitUnlockedDepositsWithdrawBatch(uint16[]
    calldata depositRoundIds, address submissionRelayer,
    uint96 submissionRelayFee, address confirmationRelayer,
    uint96 confirmationRelayFee, Permit2 memory permit)
    external payable returns (uint16 withdrawBatchId) {
        withdrawBatchId = latestWithdrawBatchId++;
        withdrawBatchId = _incrementWithdrawBatch();
}
```

PartyDAO: Use a consistent approach with prefix increment (e.g., _incrementWithdrawBatch) in both functions to ensure unique batch IDs. Patched in PR-18



[H-7] Lack of token allowance when deposit to the vault in Adapter.sol

SEVERITY: High	IMPACT: High
STATUS: Resolved	LIKELIHOOD: High

Target

• ERC4626CrossChainAdapter.sol

Description:

```
function _onDepositSubmitted(
    uint16 depositRoundId, uint96 totalAssetsToDeposit, address relayer,
    uint96 relayFee) internal {
        // Deposit assets into vault and get shares minted

        uint256 sharesMintedFromVault = VAULT.deposit({ assets:
        totalAssetsToDeposit, receiver: address(this) });

        // Send confirmation message back to port
        _sendMessageAcrossChain({ relayer: relayer, relayFee: relayFee,
        deadline: uint32(block.timestamp + 1 hours), message:
        abi.encode(ConfirmationType.Deposit, DepositConfirmation({
            confirmationType: ConfirmationType.Deposit, depositRoundId:
            depositRoundId, totalSharesMinted: uint96(sharesMintedFromVault) })) });
}
```

The vault will be ERC4626 compatible.

Then the vault will requires approval before depositing the token to the vault. Otherwise, VAULT.deposit will revert with insufficient allowance.

The impact is that the deposit cannot be confirmed and the protocol's fund is locked.

Recommendations:

```
asset.approve(address(VAULT), totalAssetsToDeposit);
uint256 sharesMintedFromVault = VAULT.deposit({ assets:
    totalAssetsToDeposit, receiver: address(this) });
```

PartyDAO: Use SafeERC20.forceApprove() to give the ERC4626 vault approval to pull tokens from the adapter. Patched in PR-11



[H-8] Refunded deposit is locked in the contract

SEVERITY: High	IMPACT: High
STATUS: Resolved	LIKELIHOOD: High

Target

- ERC4626CrossChainPort.sol
- ERC4626CrossChainAdapter.sol

Description:

Current fillDeadline is I hour and according to the docs, the transaction will be reverted after this time.

The deadline for the relayer to fill the deposit. After this destination chain timestamp, the fill will revert on the destination chain. Must be set between [currentTime, current-Time + fillDeadlineBuffer] where currentTime is block.timestamp on this chain or this transaction will revert.

tracking-events#expired-deposits

In the meantime, we believe its accurate to state that expired deposits will be refunded approximately 90 minutes after their fillDeadline. Expired deposits are sent to the depositor address on the originChainId

According to the doc, the expired deposit will be refunded to the depositor address.

However, there is no function to handle the refunded token, and these token are locked.

This issue exists in both Port contract and Adapter contract.

Recommendations:

Consider add a function to sweep the fund from the contract.

Ensure that the only a timelock smart contract can trigger such function.

PartyDAO: In PR-10, the function sweepToken is added in both Port and adapter contract



to ensure owner and sweep the reverted refunded token.



4.2 Medium Risk

A total of 4 medium risk findings were identified.

[M-1] Users can lose their shares without claiming the actual assets in the claimUnlockedDepositWithdraw function

SEVERITY: Medium	IMPACT: Medium
STATUS: Resolved	LIKELIHOOD: Low

Target

• ERC4626CrossChainPort.sol

Description:

Users can claim their assets from deposit rounds. It is important to note that these rounds should be included in a withdrawal batch, and this check is performed at line 448.

• ERC4626CrossChainPort.sol#L455

```
function claimUnlockedDepositWithdraw(uint16[] calldata depositRoundIds,
   uint96[] calldata shares, address recipient)
   external returns (uint96 totalAssetsClaimed) {
   require(depositRoundIds.length = shares.length, "Array lengths must
   match");
   for (uint16 i; i < depositRoundIds.length; i++) {</pre>
       uint16 depositRoundId = depositRoundIds[i];
       DepositRound storage depositRound = depositRounds[depositRoundId];
448:
            require(depositRound.submittedInWithdrawBatchId > 0, "Unlocked
   deposit not withdrawn");
       uint96 assetsDeposited = depositRound.assetsDepositedBy[msg.sender];
       uint96 sharesMinted
   = depositRound.totalSharesMinted.mulDiv(assetsDeposited,
   depositRound.totalAssetsDeposited).toUint96();
        uint96 sharesRedeemable = sharesMinted
   - depositRound.sharesRedeemedBy[msg.sender];
       uint96 sharesToRedeem = sharesRedeemable < shares[i] ?</pre>
   sharesRedeemable : shares[i];
        if (sharesToRedeem > 0) {
```



This ensures that the request to withdraw assets related to the shares of these rounds is sent to the Adapter. However, this does not guarantee that these withdrawals have been executed.

There is always a gap between the request and the actual withdrawal. When the withdrawal is executed, the totalAssetsClaimable of the withdrawal batch is updated to a non-zero value, allowing users to claim the real assets.

However, at line 455, users can claim their assets without checking whether totalAssetsClaimable is non-zero. Regardless of this, the sharesRedeemedBy value for the user increases.

Recommendations:

```
function claimUnlockedDepositWithdraw(uint16[] calldata depositRoundIds,
   uint96[] calldata shares, address recipient)
   external returns (uint96 totalAssetsClaimed) {
   require(depositRoundIds.length = shares.length, "Array lengths must
   match");
   for (uint16 i; i < depositRoundIds.length; i++) {</pre>
       if (sharesToRedeem > 0) {
           WithdrawBatch storage withdrawBatch
   = withdrawBatches[depositRound.submittedInWithdrawBatchId];
          require
  (withdrawBatch.totalAssetsClaimable \neq 0, "Invalid claim");
           uint96 assetsToClaim
   = withdrawBatch.totalAssetsClaimable.mulDiv(sharesToRedeem,
   withdrawBatch.totalSharesRedeemed).toUint96();
           totalAssetsClaimed += assetsToClaim;
           depositRound.sharesRedeemedBy[msg.sender] += sharesToRedeem;
       }
```



}

PartyDAO: Resolved with PR-20



[M-2] Revert condition in external call Vault#deposit and Vault#redeem is not handled

SEVERITY: Medium	IMPACT: Medium
STATUS: Resolved	LIKELIH00D: Medium

Target

ERC4626CrossChainAdapter.sol

Description:

cross-chain-actions-integration-guide

If the recipient contract's handleV3AcrossMessage function reverts when message , tokenSent, amount, and relayer are passed to it, then the fill on destination will fail and cannot occur. In this case the deposit will expire when the destination SpokePool timestamp exceeds the deposit fillDeadline timestamp, the depositor will be refunded on the originChainId. Ensure that the depositor address on the origin SpokePool is capable of receiving refunds.

Assume that a standard ERC4626 is used for vault contract,

the VAULT.deposit and VAULT.redeem external call can revert.

```
function deposit(uint256 assets, address receiver)
  public virtual returns (uint256) {
   uint256 maxAssets = maxDeposit(receiver);
   if (assets > maxAssets) {
      revert ERC4626ExceededMaxDeposit(receiver, assets, maxAssets);
  }
```

Then the refund will be sent to depositor address and the depositor address lacks function to handle refund.

Recommendations:

Try catch the vault related external call and add a function to sweep the fund from adapter. Only a timelock contract should be able to sweep the refund to ensure security.



PartyDAO: Resolved with PR-10



[M-3] Minimum relayer fee should not be proportional to total deposit amount in the Port.sol

SEVERITY: Medium	IMPACT: Medium
STATUS: Resolved	LIKELIH00D: Medium

Target

• ERC4626CrossChainPort.sol

Description:

if the cross-chain transaction is not submitted by PRIORITIZED_SUBMITTER, the code <u>enforces a minimum amount</u> of total relayer fee.

```
if (msg.sender ≠ PRIORITIZED_SUBMITTER) {
    // Prevent submitting withdraw batch with too low of a relay fee to avoid
    DoS attacks.
    uint96 minRelayFee = totalAssetsDeposited.mulDiv(MIN_RELAY_FEE_BPS,
    MAX_BPS).toUint96();
    require(totalRelayFee >= minRelayFee, "Relay fee too low");
}
```

However, the Minimum relayer fee should not be proportional to total deposit amount.

Assume that the MIN_RELAY_FEE_BPS is 1%.

If the total deposit for a round is 1 million (total deposit is large), the total relayer fee becomes 10K, which is clearly too high for the caller that pay the relayer fee.

if the total deposit for a round is 1 dollar, the total relayer fee becomes 1 / 100 dollar, which is clearly to low and the relayer lacks incentive to relay the transaction.

Recommendations:

Enforce a minimum submission relayer fee and confirmation relayer fee instead of let minimum relayer fee should not be proportional to total deposit amount.

PartyDAO: Resolved with PR-9



[M-4] User can set confirmation relayer fee or submission relayer fee to 0 to disincentivize relayer from filling the cross-chain message.

SEVERITY: Medium	IMPACT: Medium
STATUS: Resolved	LIKELIHOOD: Medium

Target

• ERC4626CrossChainPort.sol

Description:

After the priorityWindow passed, anyone can execute the cross-chain deposit / withdraw request.

```
function submitDepositRound(
   address submissionRelayer,
   uint96 submissionRelayFee,
   address confirmationRelayer,
   uint96 confirmationRelayFee,
   Permit2 memory permit)
external returns (uint16 depositRoundId) {
   depositRoundId = latestDepositRoundId;
   DepositRound storage depositRound = depositRounds[depositRoundId];
   require(depositRound.submittedAt = 0, "Deposit round already
   submitted");
   require(depositRound.totalAssetsDeposited > 0, "No assets to submit");
   uint96 totalRelayFee = submissionRelayFee + confirmationRelayFee;
   if (msg.sender ≠ PRIORITIZED_SUBMITTER) {
       uint96 minRelayFee
   = depositRound.totalAssetsDeposited.mulDiv(MIN RELAY FEE BPS,
   MAX BPS).toUint96();
       require(totalRelayFee >= minRelayFee, "Relay fee too low");
       uint32 priorityWindowEndsAt = lastDepositRoundSubmittedAt
   + SUBMIT DEPOSIT ROUND PRIORITY WINDOW;
```



```
require(block.timestamp > priorityWindowEndsAt, "Priority submitter
window active");
}
```

If the msg.sender is not PRIORITIZED_SUBMITTER, the code validate the totalRelayFee exceed minRelayFee

However, the code does not validate the min amount of submissionRelayFee and confirmationRelayFee.

Malicious executor can set either submissionRelayFee or confirmationRelayFee to O.

Example:

100% of the total fee is submissionRelayFee.The confirmationRelayFee is 0.

Then the confirmationRelayer has no incentive to execute the confirmation cross-chain message OR the confirmationRelayer has to pay the gas fee to execute the cross-chain message with no relayer fee.

Recommendations:

Validate the min amount of submission fee and relayer fee is offered.

PartyDAO: Patched indirectly by removing need for relay fee validation for untrusted callers in PR-9



4.3 Low Risk

A total of 4 low risk findings were identified.

[L-1] There is no function to update approved relayers in the Port

SEVERITY: Lov	v	IMPACT: Low
STATUS: Resol	ved	LIKELIHOOD: Low

Target

• ERC4626CrossChainPort.sol

Description:

Relayers play an important role in the protocol, and there will be a need to update approved relayers.

The Adapter has such a function, but it is missing in the Port.

• ERC4626CrossChainAdapter.sol#L79

Recommendations:

Add the function to the Port to allow the admin to update the approved relayer address.

PartyDAO: Added the function setApprovalForRelayers in ERC4626CrossChainPort.sol



[L-2] User can frontrun the submission by canceling withdraw to force submitQueuedWithdrawBatch to revert

SEVERITY: Low	IMPACT: Low
STATUS: Acknowledged	LIKELIH00D: Medium

Target

• ERC4626CrossChainPort.sol

Description:

When user submit batch withdraw, the code will revert if the user cancel the withdraw.

```
for (uint256 i; i < users.length; i++) {
   address user = users[i];
   Withdraw storage pendingWithdraw = pendingWithdraws[user];
   require(pendingWithdraw.submittedInWithdrawBatchId = 0, "Withdraw
   already submitted");
   require(pendingWithdraw.validAt ≠ 0 && pendingWithdraw.validAt <
    block.timestamp, "Invalid withdraw"); // @audit continue
   totalSharesToRedeem += pendingWithdraw.sharesRedeemed;
   totalAssetsDeposited += pendingWithdraw.assetsDeposited;
   pendingWithdraw.submittedInWithdrawBatchId = withdrawBatchId;
}</pre>
```

Note the line of code:

```
require(pendingWithdraw.validAt \neq 0 && pendingWithdraw.validAt < block.timestamp, "Invalid withdraw"); // @audit continue
```

Then a user can frontrun the submission by canceling withdraw to force submitQueuedWithdrawBatch to revert with error Invalid withdraw

```
function cancelWithdraw() external {
    Withdraw storage pendingWithdraw = pendingWithdraws[msg.sender];
    require(pendingWithdraw.submittedInWithdrawBatchId = 0, "Withdraw already submitted");
    delete pendingWithdraw.validAt;
```



```
}
```

Recommendations:

PartyDAO: Acknowledged.



[L-3] Consider add setter for immutable variable

SEVERITY: Low	IMPACT: Low
STATUS: Resolved	LIKELIHOOD: Low

Target

• ERC4626CrossChainPort.sol

Description:

```
uint256 public immutable ADAPTER_CHAIN_ID; // @audit avoid hardcode
ERC20 public immutable ADAPTER_CHAIN_ASSET; // @audit
ISpokePool public immutable ACROSS;
```

The protocol hardcode the ADAPTER_CHAIN_ID and ADAPTER_CHAIN_ASSET and ACROSS.

If these variable changes from the Across protocol side, the cross-chain deposit request will fail.

Recommendations:

Add setter function to update ADAPTER_CHAIN_ID and ADAPTER_CHAIN_ASSET and ACROSS

PartyDAO: Resolved with PR-13

[L-4] Consider use uint256 instead of uint16 for round tracking

SEVERITY: Low	IMPACT: Low
STATUS: Resolved	LIKELIHOOD: Low

Target

• ERC4626CrossChainPort.sol

Description:

The code use uint16 to track deposit round.

```
mapping(uint16 ⇒ DepositRound) public depositRounds;
```

The max number of uint16 is 65535.

After 65535 rounds, no deposit and no withdraw round can be made.

Recommendations:

```
mapping(uint16 ⇒ DepositRound) public depositRounds;

/// @dev ... May either be a group of withdraws queued for individual
depositors (submitQueuedWithdrawBatch) or a

/// single withdraw of an entire deposit round for multiple depositors at
once

/// (submitUnlockedDepositsWithdrawBatch).

mapping(uint16 ⇒ WithdrawBatch) public withdrawBatches;

mapping(uint256⇒ DepositRound) public depositRounds;

mapping(uint256 ⇒ WithdrawBatch) public withdrawBatches;
```

PartyDAO: Resolved with PR-14

4.4 Informational

A total of 4 informational findings were identified.

[I-1] Users may lose some assets due to the fee

SEVERITY: Informational	IMPACT: Informational
STATUS: Resolved	LIKELIHOOD: Low

Target

• ERC4626CrossChainPort.sol

Description:

Suppose the current share price in the vault is 1. User A deposits 100 assets and receives 100 shares. After some time, the share price increases to 2. User B then deposits 200 assets and receives 100 shares. These assets enter the withdrawal batch.

Finally, 400 assets, equivalent to 200 shares, will be withdrawn. If the fee is 10%, 360 assets will be assigned to the users. Since both users have the same number of shares, they will each receive 180 assets.

As a result, User A gains more, but User B loses 20 assets. This may be an unavoidable and intended situation.

PartyDAO: Resolved with PR-8



[I-2] The check for sharesRedeemed can be added to the validateWithdraw function

SEVERITY: Informational	IMPACT: Informational
STATUS: Resolved	LIKELIHOOD: Low

Target

ERC4626CrossChainPort.sol

Description:

There is no check to determine whether sharesRedeemed is 0 in the validateWithdraw function.

• ERC4626CrossChainPort.sol#L294-L299

```
function validateWithdraw(uint32 validAt) external {
   require(validAt > 0, "Invalid validation timestamp");
   Withdraw storage pendingWithdraw = pendingWithdraws[msg.sender];
   require(pendingWithdraw.submittedInWithdrawBatchId = 0, "Withdraw
   already submitted");
   pendingWithdraw.validAt = validAt;
}
```

If the validAt value is updated to a non-zero value, the pending withdrawal for the user can be included in the withdrawal batch, even if it is actually empty.

ERC4626CrossChainPort.sol#L333

```
function submitQueuedWithdrawBatch(
   address[] calldata users,
   address submissionRelayer,
   uint96 submissionRelayFee,
   address confirmationRelayer,
   uint96 confirmationRelayFee,
   Permit2 memory permit
) external payable returns (uint16 withdrawBatchId) {
   uint96 totalSharesToRedeem;
   uint96 totalAssetsDeposited;
   for (uint256 i; i < users.length; i++) {</pre>
```



```
address user = users[i];
    Withdraw storage pendingWithdraw = pendingWithdraws[user];
    require(pendingWithdraw.submittedInWithdrawBatchId = 0, "Withdraw
    already submitted");
@-> require(pendingWithdraw.validAt ≠ 0 && pendingWithdraw.validAt <
    block.timestamp, "Invalid withdraw");
    totalSharesToRedeem += pendingWithdraw.sharesRedeemed;
    totalAssetsDeposited += pendingWithdraw.assetsDeposited;
@-> pendingWithdraw.submittedInWithdrawBatchId = withdrawBatchId;
}
```

Consequently, the submittedInWithdrawBatchId is updated, which means that queueing a withdrawal for this user will be blocked until the withdrawal batch that includes the user's empty withdrawal request is confirmed.

Recommendations:

```
function validateWithdraw(uint32 validAt) external {
   require(validAt > 0, "Invalid validation timestamp");
   Withdraw storage pendingWithdraw = pendingWithdraws[msg.sender];
   require(pendingWithdraw.submittedInWithdrawBatchId = 0, "Withdraw
   already submitted");

require(pendingWithdraw.sharesRedeemed ≠ 0, "");
   pendingWithdraw.validAt = validAt;
}
```

PartyDAO: Resolved with PR-17



[I-3] The 1-hour deadline should be adjusted

SEVERITY: Informational	IMPACT: Informational
STATUS: Resolved	LIKELIHOOD: Low

Target

• ERC4626CrossChainPort.sol

Description:

Currently, the deadline is fixed at 1 hour.

This deadline should be less than the fillDeadlineBuffer in ACROSS.

The deployed fillDeadlineBuffer in WorldChain is now 6 hours, so it is acceptable.

However, in cases where the 1-hour deadline is not sufficient for successful transfers between chains, it is better to dynamically adjust it.

Recommendations:

Add a function to set the deadline instead of hardcode the deadline to 1 hour.

PartyDAO: Resolved with PR-13. Added the setter delayUntilDeadline



[I-4] The addresses for the contracts on the destination chain can be stored

SEVERITY: Informational	IMPACT: Informational
STATUS: Acknowledged	LIKELIHOOD: Low

Target

- ERC4626CrossChainPort.sol
- ERC4626CrossChainAdapter.sol

Description:

The Port exists on the source chain, and the Adapter exists on the destination chain. The Adapter should be stored in the Port contract. However, the Adapter contract may not exist on the source chain.

• ERC4626CrossChainPort.sol#L90

```
contract ERC4626CrossChainPort is Ownable, Multicall {
   ERC4626CrossChainAdapter public immutable ADAPTER;
   ERC20 public immutable ADAPTER_CHAIN_ASSET;
}
```

Therefore, the address of the Adapter on the destination chain can be stored in the Port contract. The same issue exists for the target asset and the Port in the Adapter contract.

Recommendations:

Store addresses instead of contracts.

PartyDAO: Acknowledged