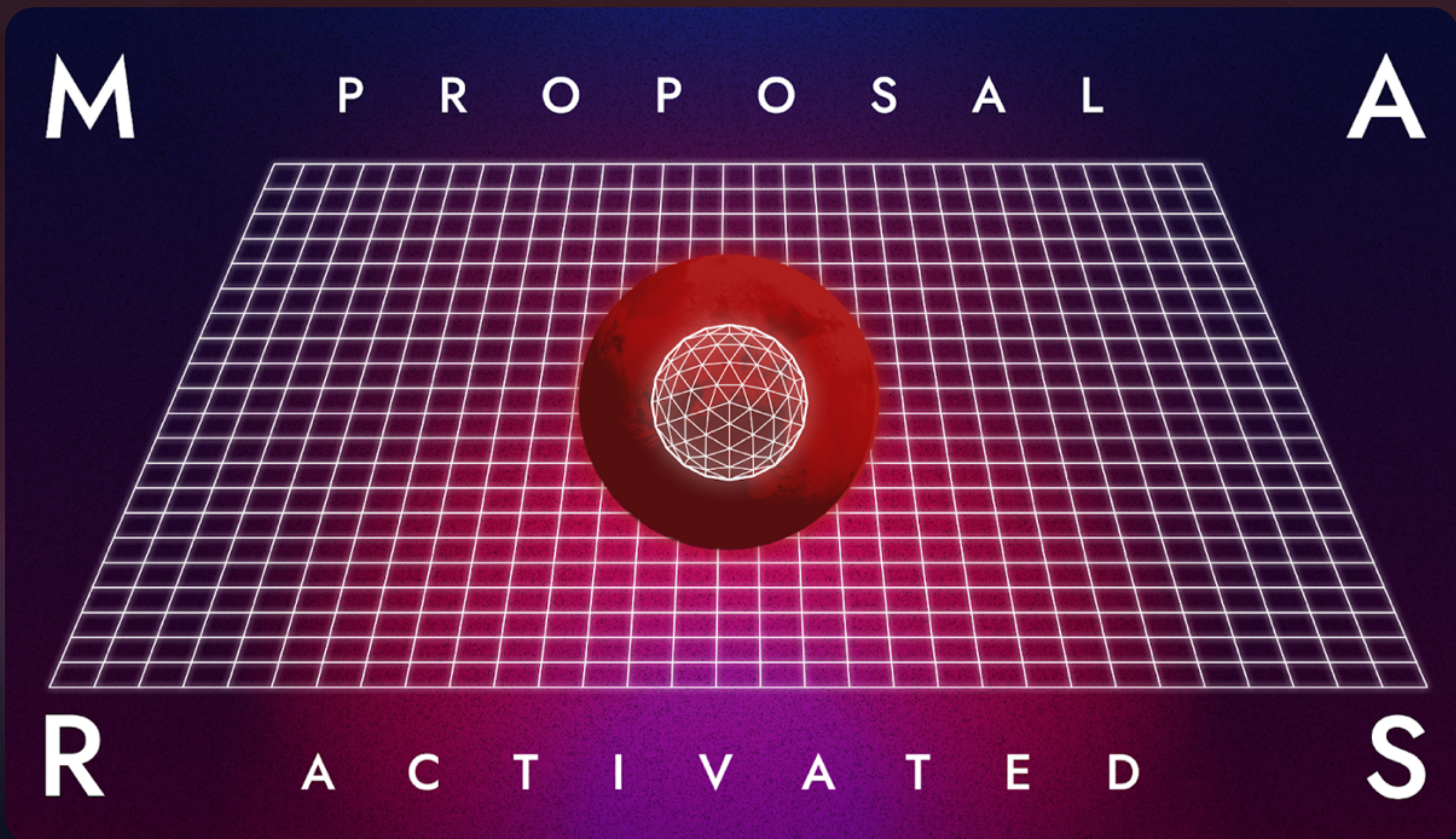


Mars Updates

Apollo DAO breaks ground as first third-party protocol to apply for Mars credit line

MAY 6, 2022



The true power of Mars lies in its credit lines. With them, third-party protocols can borrow from the Red Bank without first depositing another asset as collateral.

This special form of lending — dubbed Contract-to-Contract (C2C) lending — happens in the [Fields of Mars](#), and it's the key to Mars' widespread adoption. By permitting borrowing of Red Bank assets without first requiring a deposit, it increases yields for depositors.

All initial credit lines in the Fields of Mars were issued to leveraged yield farming strategies created by Mars' builders themselves. Today, [Apollo DAO](#) breaks ground as the first third-party protocol to seek a Mars credit line.

Specifically, Apollo DAO seeks a \$5 million credit line to enable leveraged yield farming on the ANC-UST pair on Apollo and Astroport. This strategy would be similar to the current ANC-UST strategy in the Fields of Mars, but instead of dual rewards (ANC + ASTRO), it would offer the potential for triple rewards (ANC + ASTRO + APOLLO).

Before today's launch of a governance vote on the strategy, Apollo DAO [sought feedback in the Mars forums](#). From that post:

Description of the Proposal

Apollo DAO is a yield management and auto-compounding platform on Terra. We propose providing Apollo DAO with access to a credit line from Mars to enable ANC-UST leveraged yield farming on Apollo. This would initially be for the ANC-UST Astroport based vault and would allow users to leverage their vault positions.

The final proposed parameters for the credit line and strategy are listed below.

APOLLO ANC-UST CREDIT LINE PROPOSAL				
STRATEGY	MAX LEVERAGE	LIQUIDATION THRESHOLD	LIQUIDATION BONUS	CREDIT LINE SIZE
ANC-UST LEVERAGED YIELD FARMING	2.5X (60% LTV)	2.86X (65% LTV)	5%	\$5 MILLION

Read the full [forum post](#) for a detailed risk analysis of the proposed strategy. Per the proposal, there would be a minimum deposit size of 300 UST for this strategy. The voting period will last ~3 days. If successful, it will be implemented in the Fields after a mandatory 2-day review period as detailed in the [Mars Improvement Process](#).

All Mars stakers (xMARS) can now ascend to the Martian Council to vote on Apollo's proposal at <https://app.marsprotocol.io/#/council>.

If the vote's successful, it could usher in a new wave of third-party protocols building on Mars.

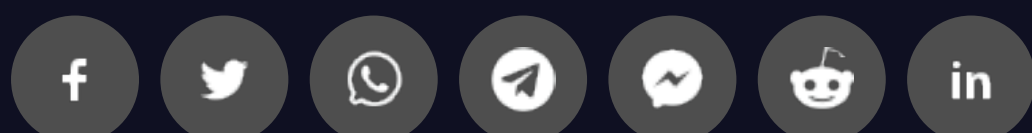
The future awaits!



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