

Simple Summary

A proposal to add Borrow Caps for seven (7) uncapped assets and amend the Borrow Cap of nine (9) assets across four (4) chains in v3.

Motivation

In continuation of the successful vote on [V3 Supply Cap Recommendations for Uncapped Assets](#), Chaos Labs proposes to add Borrow Caps to V3 assets, using the [AAVE V3 Borrow Caps Methodology](#).

This proposal follows the fast-track process for increasing borrow caps as outlined [here](#).

This ARC will focus on assets that are currently not utilizing e-mode.

Recommendations

Avalanche

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Arbitrum

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Optimism

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Polygon

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Next Steps

In the next 24 hours, we will share a Snapshot for a community vote.

After setting the initial caps, Chaos Labs will continuously monitor and examine the markets and provide recommendations given significant changes in the supply and borrowing rates of different assets.

