

## Proposal: Add Support for Gemini GUSD as Collateral

Hi Aave Community! We would like to formally propose GUSD to be supported as a collateral asset on Aave.

### References

- Website - [Gemini dollar \(GUSD\) | Gemini](#)
- Whitepaper - <https://www.gemini.com/static/dollar/gemini-dollar-whitepaper.pdf>
- Source Code - [GitHub - gemini/dollar: Gemini dollar contract source code](#)
- Trail of Bits Audit - <https://www.gemini.com/static/dollar/gemini-dollar-trailofbits-audit.pdf>
- Independent Auditor Reports - [Gemini dollar \(GUSD\) | Gemini](#)
- Token Contract- <https://etherscan.io/token/0x056fd409e1d7a124bd7017459dfea2f387b6d5cd>
- Twitter - <https://twitter.com/Gemini>

GUSD is currently a supported asset on Aave, and we would like to have it be a collateral option as well.

Over the past months, growing support for GUSD by decentralized finance projects and platforms has led to a surge in its market cap to more than \$120 million. We are looking to continue to grow the DeFi ecosystem on Gemini (by supporting governance token listings and working through future use cases e.g. bridge to defi, L2 support etc.) and through GUSD, which we believe to be one of the most secure and trusted USD-backed stablecoins.

### Available Liquidity

There is currently over \$100mm in GUSD liquidity in DeFi projects, and we're actively engaging with industry partners on how to grow this liquidity in the ecosystem, and on Aave specifically. There is support for GUSD on a myriad of DeFi applications and projects, some of the larger ones include liquidity pools on Curve, Uniswap and Balancer, as well as collateral on Maker, and yield strategies on Yearn.

GUSD can also be created and redeemed for 1:1 USD on Gemini at scale. There are also no fees when creating and withdrawing GUSD on Gemini - we cover all gas costs.

### Risk Parameters

Given GUSD is still growing in DeFi and on Aave, we think the below risk parameters could be considered:

- LTV 70%
- LT 75%
- LB 5% (liquidation incentive)
- RF 20%

Thank you all, and we look forward to your feedback.

Onward and upward,

Tyler Winklevoss

Gemini, Co-Founder & CEO