

title: [ARFC] Treasury Management - GSM Funding & RWA Strategy Preparations

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Summary

In preparation for launching the GHO Stability Module (GSM) and the \$1M RWA strategy with Centrifuge, this publication seeks to make available the necessary amount of USDC and USDT on Ethereum v3.

Motivation

The GSM is in the late stages of audit and is expected to be available for deployment in the near future. The Centrifuge proposal is currently mid way through the review process. The current stable coin holdings on Ethereum are insufficient to support the GSM, RWA strategy and Service Provider (SP) commitments. Additional funds are needed on Ethereum to support the GSM.

The [largest GSM funding requested](#) consisted of the following:

- 3.5M USDC
- 3.5M USDT

The RWA Strategy is valued at [1M](#) of USDC funding.

The expected aEthUSDC and aEthUSDT Reserve Holding, post Aave Funding Part B being implemented, is as shown below:

- 2.93M aEthUSDC (0.72M current holding plus 2.21M Aave Funding Part B)
- 0.71M aEthUSDT (0.71M current holding)

It is clear from comparing the numbers above, there is a need to add to the aEthUSDC and aEthUSDT holdings in order to fulfill the GSM and RWA Strategy commitments.

Tapping into the aUSDT and aUSDC holdings is not enough as the current aUSDT (Aave v2) is only sufficient to cover 1 years runway and all the aUSDC will already migrated to aEthUSDC upon implementing Aave Funding Part B.

The aEthDAI reserve holds sufficient funds to cover any [ImmuneFi Bug Bounty Program](#), sustain [BGDLabs stream](#), support this [bug bounty](#) and this [adhoc security request](#).

At the time of writing, it is only possible to move funds between the Polygon and Ethereum Treasuries via on-chain governance. The below summaries the expected Polygon Treasury holdings based upon this [migration PR](#) being implemented.

- 2.58M aPolUSDC
- 1.53M aPolDAI
- 0.80M aPolUSDT

There is sufficient funds on Polygon to cover the immediate needs of the GHO GSM.

In addition to the above, this proposal also contains a small bit of house keeping that includes setting two legacy aUSDC Allowances to zero. Whilst the funds mentioned can not be claimed, they are currently showing as available when querying the Allowance ([10.](#)) balance.

There are several legacy allowances relating to past bonding curves that are to be [revoked](#). The most notable 174k and 196k, are legacy from previous [CRV](#) and [BAL](#) respectively.

Specification

Part A of this proposal will perform the following:

- Withdraw all amUSDC & aPolUSDC
- Withdraw all amDAI & aPolDAI

- Withdraw all amUSDT & aPolUSDT
- Transfer all withdrawn assets to Ethereum

Revoke the following allowances for the Aave Collector on Mainnet:

IERC20Token.approve(spender, 0);

token

spender

description

aENS

0xa426759e433224c2b04f6619ab44217dad626c6e

Aave Collector Consolidation

aMANA

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aUST

0xa426759e433224c2b04f6619ab44217dad626c6e

Aave Collector Consolidation

sUSD

0xa426759e433224c2b04f6619ab44217dad626c6e

Aave Collector Consolidation

aUSDC

0x04f90d449d4f8316edd6ef4f963b657f8444a4ca

One Way Bonding Curve

aRAI

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aZRX

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aAMPL

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aSUSD

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aUSDC

0x46a1b7d4a2920270c7eb2c2db4df2259a109bcb4

CRV Bad Debt Repayment

TUSD

0xa426759e433224c2b04f6619ab44217dad626c6e

Aave Collector Consolidation

BUSD

0xa426759e433224c2b04f6619ab44217dad626c6e

Aave Collector Consolidation

aTUSD

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aDPI

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aFRAX

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

aBUSD

0xa426759e433224C2b04f6619aB44217DaD626c6e

Aave Collector Consolidation

Part B of this proposal will perform the following:

- Swap all DAI to USDT
- Swap 0.70M USDC to USDT
- Deposit USDT received from Polygon and swaps into Aave v3
- Deposit USDC received from Polygon minus 0.70M into Aave v3

This is expected to achieve a minimum of the following aEthUSDC and aEthUSDT balances:

- 4.81M aEthUSDC (3.5M for GSM, 1M for Centrifuge)
- 3.73M aEthUSDT

Disclaimer

TokenLogic and karpatkey receive no compensation beyond Aave protocol for the creation of this proposal. TokenLogic and karpatkey are both delegates within the Aave ecosystem.

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