

## Introduction

Solend is the largest DeFi protocol on Solana, with \$248M TVL, and dominates the lending landscape of Solana. The team is currently working on a new set of flash loan instructions that can be utilized to drive stSOL adoption on Solana by creating DeFi strategies.

## Driving stSOL in DeFi

stSOL offers lots of potential in DeFi, but some of these strategies are too complicated and troublesome to open for the average users. Solend aims to drive adoption of stSOL by making it easier to open these positions using flash loans. Flash loans were always seen to be an evil tool, but this can be harnessed to drive stSOL TVL growth.

An upcoming new Strategies feature allows users to open leveraged staking positions with a single click, offering 18% on SOL by driving usage of stSOL. The team intends to continue building more DeFi strategies to drive more usage.

Additionally, Solend intends to open source its flash loans v2 SDK, allowing other protocols or users to design their own stSOL strategies and utilize flash loans to open such positions. Solend works closely with different yield platforms, such as Hawksight and GoblinGold, which will benefit from an open-sourced tool to harness the power of flash loans for good.

## Motivation

Solend aims to make it as easy as possible for the average Joe to generate higher returns on our platform. This tool makes it easy for users to open complicated defi strategies and earn yields. As most of these strategies can be stSOL reliant, this also drives stSOL adoption in DeFi.

This project is nearing completion, and should be done near the end of Q4 2022.

The expected deliverables would be:

1. stSOL oracle live on Mainnet
2. Flash Loans v2 SDK live and open-sourced.
3. First stSOL strategy live on Solend's UI.
4. Second stSOL strategy live on Solend's UI.
5. Other DeFi protocols on Solana deploy stSOL strategies.

All this aims to contribute a target of 350K~ SOL to Lido's TVL on Solana.

## Proposal

Solend requests for a grant of 20K LDO tokens to cover the auditing cost of the flash loans v2 tool, and the development/testing costs of current and future stSOL strategies.

Solend will open-source the flash loans v2 SDK, drive its partners to utilize it for stSOL adoption, and release multiple stSOL-reliant strategies. These strategies aim to directly contribute TVL to Lido via Solend and its integrated partners.

Additionally, Lido awards an additional 15K LDO based on TVL milestones achieved by Solend and other DeFi protocols that utilize stSOL and the flash loans SDK. The TVL milestone will follow:

- 175K SOL staked into Lido - 10K LDO
- 350K SOL staked into Lido - 5K LDO.