

This proposal follows the fast-track process for increasing supply & borrow caps as outlined [here](#). The snapshot vote will be live in 24h.

Here are the current parameters for BTC.b on Avalanche V3:

- Loan-to-value: 70.00%
- Liquidation threshold: 75.00%
- Liquidation penalty: 6.50%
- Supply cap: 2,900 BTC.b (\$56.6M)
- Total supply: 2,270 BTC.b (\$44.3M, 78% of the pool at current supply cap)

Proposal:

Increase the supply-cap to 5,800 BTC.b (100% increase).

Deposits and withdrawals for BTC.b on Avalanche V3 have only been live for a few days and it is already close to hitting its supply cap, indicating a very high growth of this market that we expect to continue in the future. We believe that increasing the supply-cap to 5,800 BTC.b will be necessary to accommodate the increasing market demand for supplying BTC.b.

BTC.b can be directly minted and redeemed with BTC in a permissionless and non-custodial manner through the Avalanche Bridge (more details in the [listing proposal](#)). There is still \$43M worth of WBTC.e supplied on the Avalanche V3 market that we expect to migrate to BTC.b given that it is a safer version of the same asset, quickly establishing itself as the default on Avalanche.

We're very excited to see the growing adoption of BTC.b and look forward to discussing this proposal with the community.