

Summary

Hello community members! Last month, AAVE added rewards for lenders and borrowers of DAI, USDC, USDT, GUSD, WBTC and ETH in the incentive mechanism of AAVE. In the long run, AAVE could provide further incentives for other markets to boost users' supply and engagement in community governance. In this ARC, we propose adding TUSD to the asset list of the liquidity mining program.

Background

TrueUSD(TUSD) is one of the world's most trusted stablecoin, independently attested live on chain for 1:1 USD reserves, with billions in monthly volume, nearly instant minting, no fees, and direct-to-bank redemption.

Up to date, TUSD has been listed on more than 70 leading exchanges and live on trending DeFi platforms of well-known public chains. It has gained support from leading OTC desks as well. TUSD also supports near-instant minting and redemption services through the Silvergate Exchange Network (SEN) and PrimeX by PrimeTrust.

Rationale

The highly compliant and transparent stablecoin TUSD has been listed on various DeFi platforms and ranked high by rating agencies, with rapid expansion recently. Holders can participate on DeFi platforms with TUSD and enjoy high yields. Not only has it been listed on a well-known public chain, but its market cap keeps hitting new all time high in a short period. In just a fortnight, its market cap doubled, exceeding \$1.2 billion. With more attention from the market, more users are crowding in and holding TUSD.

In fact, TUSD has joined AAVE quite early, with over \$23.6M market size in its V2 market, maintaining its one of the most stable assets on AAVE. AAVE and TUSD have been mutually-beneficial partners. Many TUSD-holders participate in the governance of AAVE, following the latest development of AAVE, creating a highly synergetic community. So far 2% of the total TUSD circulation is on AAVE, and the climbing space is huge.

We propose AAVE provide liquidity mining rewards for users who stake TUSD by distributing stkAAVE to TUSD-holders. It will incentivize TUSD-holders to actively participate in AAVE market and its governance. We are optimistic about the further connection between TUSD and AAVE.

Specifications

The liquidity mining rewards could use the same 50%/50% lenders/borrowers distribution as DAI, USDC, and USDT. Please vote for the following incentive schemes.

1. Add more stkAAVE in each block to include LM rewards for TUSD lenders and borrowers
2. Keep the existing LM reward distribution unchanged while restructuring the current LM rewards distribution to include rewards for TUSD holders.

We think both options are beneficial, and we hope community would support this ARC

Social Media

Website: <https://trueusd.com/>

Twitter: https://twitter.com/tusd_official

Medium: <https://trueusd.medium.com/>

Telegram EN: [@TUSDofficial_EN](https://t.me/TUSDofficial_EN)

Telegram CN: [\[telegram: contact@TUSDofficial_CN\]](https://t.me/telegram_contact@TUSDofficial_CN) ([telegram: contact@TUSDofficial_CN](https://t.me/telegram_contact@TUSDofficial_CN))

- Add TUSD with same parameters as other assets (Increase overall LM budget)
- Add TUSD and reduce incentives for existing asset (Keep current LM budget)
- No

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voters