

# [ARFC] increase supply cap for cbETH Aave Ethereum V3

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## Summary

cbETH is a centralized Liquid Staking Derivative minted by Coinbase

CbETH is minted by coinbase when users Stake ETH.

For more information about cbETH please refer to [cbETH V3 ARC](#)

This ARFC presents the Aave governance with the opportunity to increase cbETH supply cap on the Aave V3 Ethereum market.

## Abstract

This ARFC proposes to increase the CbETH Supply cap to 20k CbETH to reflect market demand for depositing this asset.

## Motivation

cbETH is currently at ~91% of its supply cap on Aave V3.

Allowing an increase in this supply cap will allow new Aave users to use Aave V3 & allow current users to increase the size of their positions.

The new proposed cap is set at a level that allows the market to find this new equilibrium while maintaining a conservative approach.

## Specification

Ticker: cbETH (cbETH)

Contract Address: 0xbe9895146f7af43049ca1c1ae358b0541ea49704

Risk Parameter

Value

Isolation Mode

NO

Enable Borrow

YES

Enable Collateral

YES

Loan To Value

67%

Liquidation Threshold

74%

Liquidation Bonus

7.5%

Reserve Factor

15%

Liquidation Protocol Fee

10%

Borrow Cap

1200

Supply Cap

20k

Debt Ceiling

N/A

Base

0%

Slope1

7%

Uoptimal

45%

Slope2

307%

## Disclaimer

The Aave-Chan Initiative is not linked nor paid by Coinbase to publish this ARFC

The ACI support LSD diversity as part of its delegate platform

At the time of Writing, Marc Zeller, the founder of ACI does not hold any cbETH.

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