

title: [ARFC] AgEUR risk parameters Aave Polygon V3 update

Author: [@marczeller](#) - Aave Chan Initiative

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Summary

AgEUR is a decentralized, overcollateralized stablecoin minted by the Angle protocol. Users of the Angle Protocol can mint AgEUR by locking collateral in vaults.

For more information about AgEUR, please refer to [AgEUR Polygon V3 ARC](#).

This ARFC presents the Aave governance with an opportunity to change the risk parameters for AgEUR, making it a collateral asset on the Aave V3 Polygon market.

Abstract

This ARFC presents the Aave governance with an opportunity to change the risk parameters for AgEUR, making it a collateral asset on the Aave V3 Polygon market.

Motivation

AgEUR is the primary EUR-pegged decentralized stablecoin available on the Aave V3 Polygon market.

One of the key strategic features of Aave V3 is eMode, and Polygon has enabled a stablecoin eMode. By allowing an LTV for agEUR, Aave users can take directional and hedging positions on EUR/USD, which offers more granularity to their Aave experience.

eMode and “FX-trading” enabled by Aave V3 could also be an interesting area of development for the protocol’s usage. Third-party apps could build on top of Aave for new use cases.

AgEUR is designed to be efficient and can be minted at fair value using another stablecoin, which helps ensure the peg remains resilient over time.

The newly proposed risk parameters replicating the MAI parameters are merely suggestions to start the conversation,. The ACI is inviting Risk Service Providers to provide feedback on them.

Specification

Ticker: AgEUR (AGEUR)

Contract Address: 0xE0B52e49357Fd4DAf2c15e02058DCE6BC0057db4

Risk Parameter

Value

Isolation Mode

YES

Enable Borrow

YES

Enable Collateral

YES

Loan To Value

75%

Liquidation Threshold

80%

Liquidation Bonus

5%

Reserve Factor

10%

Liquidation Protocol Fee

10%

Borrow Cap

1.5M

Supply Cap

3M

Debt Ceiling

1.5M

Base

0%

Slope1

4%

Uoptimal

90%

Slope2

64%

Disclaimer

The Aave-Chan Initiative (ACI) is not associated with or compensated by Angle to publish this AFRC.

As part of its delegate platform, the ACI promotes stablecoin diversity.

At the time of writing, Marc Zeller, the founder of ACI, does not possess any ANGLE, the native asset of the Angle protocol, and holds only a small amount of agEUR.

However, Marc Zeller has a compensated role as a DeFi strategy advisor with the Polygon Foundation. This third party made no request or compensation for this AFRC.

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