Introduction

This Temperature Check aims to get community approval for the FlashMinter Facilitator referenced in [this development update](#).

The following [Facilitator onboarding framework](#) was recently [approved](#) by the DAO.

Background

1. Title of Facilitator:

FlashMinter Facilitator

1. High-Level Description of Mechanism/Request:

FlashMinting provides the same functionality as a flashloan, but instead of borrowing assets from a pool, users would be able to FlashMint GHO and repay in a single transaction.

1. Author / Link to License:

[Aave Companies, MIT License](#)

1. Link to whitepaper (if applicable):

N/A

1. How Facilitator Furthers GHO:

FlashMinting GHO would allow for efficient arbitrage and refinancing. Thus, FlashMinting would play an important role in peg maintenance.

1. Organization / DAO responsible for operation of the Facilitator (if applicable):

The Aave DAO.

1. History, Details, Background of the operator of the Facilitator (if applicable):

The Aave DAO governs the Aave Protocol and consists of a wide variety of contributors, delegates and token holders.

Credit Line Details

1. Requested Facilitator Capacity:

2,000,000 GHO

1. Use of Funds:

This Facilitator Capacity would be used to allow users to FlashMint.

1. Revenue Streams:

To start, it is proposed that the fee for FlashMint would be set at 0%. In the early stages, GHO's ability to maintain its peg would be enhanced by the presence of low fees, which incentivize arbitrage. However, at the same time the 0% fee would mean that in the short run the FlashMint Facilitator would not create revenue for the DAO.

1. Revenue Split/Interest Terms:

If the DAO decides to add a fee for this Facilitator, all revenue will go to the Aave DAO Treasury.

1. Collateral Posted:

N/A

1. Other Commercial Details/Considerations:

N/A

Mechanism & Risk Details

1. Detailed Description of the Facilitator:

The FlashMinter Facilitator would allow users to FlashMint and borrow GHO if they repay the borrowed GHO in the same transaction. The FlashMinter would have a beneficial influence on GHO's ability to maintain its peg because it enables more efficient arbitrage.

1. How Facilitator is backing GHO:

Since no GHO is effectively entering circulating supply, no backing is needed.

1. If RWA - description of legal structure etc:

N/A

1. Detail any/all risks (Contract risk, Cross-chain, Bridging, Regulatory, etc):

Smart contract risk is always present. To mitigate this risk, the code for this Facilitator has been audited by multiple top auditing firms.

1. Please include links to supporting docs:

[GhoFlashMinter | GHO Document Hub](#)

Governance Controls

1. List of controls given to Aave DAO:

The only controls related to the FlashMinter facilitator are:

-Changing the FlashMint fee.

-Changing the Facilitator's bucket capacity.

These changes would be made through an Aave DAO Short Executor vote.

1. Controls given not to Aave DAO:

N/A

1. Alternative controls / roles that may be present but not set (optimistic governance? Risk Admin? SubDAO etc) + description on who can set these roles:

N/A

1. Upgradability controls:

N/A

Facilitator Code

1. Code Repository:

[GitHub - aave/gho-core](#)

1. Audit Report (optional but strongly recommended):

[gho-core/audits at main · aave/gho-core · GitHub](#)

1. Documentation:

[Developer Docs | GHO Document Hub](#)

1. Non-technical explainer:

[Borrow GHO | GHO Document Hub](#)

1. License Details:

[gho-core/LICENSE at main · aave/gho-core · GitHub](#)