In response to the recent USDC decreases in the PSM - acting as the Stability Scope Responsible Facilitator & following [MIP24's Urgent Response](#) procedures - Ecosystem is proposing swift action to fortify the elasticity of on-chain 1:1 liquidity against USDC.

Protocol stability is not in danger but urgent action is advised by Governance to position the DAO to take action if necessary. There is over 1.3B of liquidity in the PSMs ensuring the price of Dai is securely pegged. This action is to ensure the protocol remains well-positioned to respond during periods of decreasing USDC.

The out-of-schedule executive specifically requests to execute the following MakerDAO governance resolution: [WITHDRAWAL PROCESS OF USDC FROM COINBASE CUSTODY](#)

The MakerDAO governance resolution is a standing instruction to JAT3 requesting and ratifying the trustee to follow a sequence of actions when requested by Monetalis, during defined protocol conditions.

- If PSM + GUNI Pools USDC < 300m in aggregate, withdraw USDC from Coinbase Custody so protocol sum increases to 400M USDC.

- If PSM + GUNI Pools USDC > 500m in aggregate, deposit USDC into Coinbase Custody so protocol sum decreases to 400m USDC.

It should be noted that the protocol's current sum of 1:1 liquidity against USDC is within the boundaries of the aggregate sums defined in the governance resolution. This further demonstrates no emergency actions are required at the time of requesting this executive.

The Coinbase Custody structure is an interim step, and will be replaced with a fully non-custodial, on-chain solution in the near future. Until that solution is ready, this urgent executive is proposed enable the protocol to act at the pace necessary to avoid potential issues with 1:1 liquidity against USDC in the future.