

[TEMP CHECK] Onboard CDCETH to Aave V3 on Ethereum

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Summary

This proposal is to explore community interest in adding [Crypto.com](https://crypto.com) Staked ETH

(CDCETH) to Aave V3 on the Ethereum mainnet. CDCETH is an ERC-20 token issued on both Ethereum and the Cronos Chain that represents the underlying staked ETH on the [Crypto.com](https://crypto.com) platform.

Motivation

[Crypto.com](https://crypto.com) was founded in 2016 with the vision of making cryptocurrency in every

wallet. As of June 2024, [Crypto.com](https://crypto.com) has more than 100 million users worldwide and is the industry leader in regulatory compliance, security, and privacy.

[Crypto.com](https://crypto.com) launched its on-chain staking product on its Main App and Exchange

platform, with Ethereum as one of the most staked assets on the platform.

To enhance the liquidity and capital efficiency of staked ETH, [Crypto.com](https://crypto.com) introduced a Liquid

Staking Token (LST) - [Crypto.com](https://crypto.com) Staked ETH (CDCETH) in November 2023 and reached \$100M+ TVL (Defillama page here).

Currently, CDCETH's on-chain liquidity on Ethereum is concentrated in the CDCETH/ETH pair on Curve (here) and Uniswap (here), with plans to launch a pool on Balancer next and incentivize to grow liquidity across these venues.

Other liquidity venues can be found on the DeFi protocols on the Cronos chain and the order book on the [Crypto.com](https://crypto.com) Exchange platform, with support from multiple market makers.

The liquidity on the Cronos side can be bridged to Ethereum through the [Crypto.com](https://crypto.com) platform.

Integrating CDCETH as a collateral asset on Aave V3 serves a meaningful demand

from CDCETH users on the [Crypto.com](https://crypto.com) platform to utilize the LST as collateral to

borrow on Aave. The platform aims to drive wide adoption of CDCETH on Aave V3 as

collateral for borrowing by various promotional activities and integration with its product lines, such as social media posts when CDCETH is successfully onboarded,

Confidential banners/listings on the [Crypto.com](https://crypto.com) non-custodial wallet and banners within the Main

App platform to direct CDCETH holders to use Aave via the non-custodial wallet.

Onboarding CDCETH on Aave will create an entry point for a large number of CDCETH users

and [Crypto.com](https://crypto.com) users to make good use of the asset on Aave and also greatly improve

CDCETH's utility as a LST, resulting in a positive feedback loop for CDCETH & Aave adoption

& increased revenues for both parties.

Proof of Liquidity (POL) and Deposit Commitments

[Crypto.com](https://crypto.com) is committed to providing initial supply-side liquidity of up to \$5M CDCETH and liquidity mining programs of \$100K in CDCETH over 3 months as a start.

Integration of CDCETH pool on Aave V3 with [Crypto.com](https://crypto.com)'s non-custodial wallet and Main App will be added to the pipeline once the pool is live, providing the gateway to over 100M global users on the platform.

Specification

Contract address: 0xfe18aE03741a5b84e39C295Ac9C856eD7991C38e

Rate Provider contract for current exchange rate:

0xfe18aE03741a5b84e39C295Ac9C856eD7991C38e (12. exchangeRate)

Risk Parameters will be provided at ARFC stage by Risk Service Providers.

Audits & Relevant links

Audit: https://crypto.com/document/blocksec_securityaudit2024

Issuer: [Crypto.com](https://crypto.com)

Whitepaper: CDCETH

DeFillama: <https://defillama.com/protocol/crypto.com-staked-eth>

Coingecko: <https://www.coingecko.com/en/coins/crypto-com-staked-eth>

[Crypto.com](https://crypto.com) Staking page: [Crypto Staking — Crypto.com | Earn up to 16.64% per year by staking with us](https://crypto.com/staking)

[Crypto.com](https://crypto.com) Liquid Staking Q&A page: [Liquid Staking | Crypto.com Help Center](https://crypto.com/help-center/liquid-staking)

Community:

Twitter/X: [x.com](https://x.com/cryptocom)

Telegram: [Crypto.com](https://t.me/cryptocom)

News on Telegram: [Crypto.com](https://t.me/cryptocom)

Discord: [Crypto.com](https://discord.com/invite/cryptocom)

Disclaimer

The ACI is not directly affiliated with [Crypto.com](https://crypto.com) and did not receive compensation for the creation of this proposal. The co-author is a team member of [Crypto.com](https://crypto.com).

Next Steps

1. If consensus is reached on this [TEMP CHECK], escalate this proposal to the Snapshot stage.
 1. If the Snapshot outcome is YAE, this proposal will be escalated to ARFC stage
 2. Publication of a standard ARFC, collect community & service providers feedback before escalating proposal to ARFC snapshot stage
 3. If the ARFC snapshot outcome is YAE, publish an AIP vote for final confirmation and enforcement of the proposal.

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