T	itle:
[AF	RFC] Aave V3 Deployment on Scroll mainnet
A	uthor:
Aa	ve-Chan Initiative
D	ate:
202	24-01-09
Sı	ummary:
	oposal to deploy an Aave v3 MVP to Scroll mainnet with limited assets onboarding and conservative risk parameters in ler to allow Aave to establish a strategic position in the Scroll ecosystem while limiting risk exposure.
A	bstract:
goa stro	is ARFC proposes the deployment of Aave V3 on Scroll mainnet. Scroll is an EVM-equivalent zk-rollup with the primary all to provide scalability to Ethereum in the most robust and secure way. Scroll has been open source from day 1, has a ong in-house security team paired with rigorous audits, third party provers from their mainnet genesis block and are inducting a gradual decentralization of our sequencer network.
M	otivation:
Aa	ve will be given a prominent role in the early Scroll ecosystem and will be able to establish a strategic presence early on. ve will be in good company as 150+ projects are launching on the network and Aave will be able to harness a vibrant new osystem that expands across the globe.
Pı	roof of Liquidity and Deposit Commitments:
exp	cognizing the importance of stablecoins to the DeFi ecosystem generally and Aave ecosystem in particular, Aave's pansion onto Scroll mainnet will be supported by immediate liquidity of 500,000 USD in \$AAVE staked to the Aave Safety adule to provide additional security guarantees and limit risk exposure to the DAO.
Sį	pecification:
	e proposal will detail the deployment of Aave V3 on Scroll mainnet with three collaterals (WETH, USDC, wstETH) and e borrowable asset (USDC). We consulted Gauntlet and Chaos Labs for preliminary risk parameters.
Ris	sk Parameter
WE	ETH
ws	tETH
US	DC
Iso	lation Mode
NC	
NC	

NO

YES

NO

YES

Enable Borrow

Enable Collateral
YES
YES
YES
Emode Category
Eth-correlated
Eth-correlated
N/A
Loan To Value
80%
80%
82.5%
Liquidation Threshold
82.5%
82.5%
85%
Liquidation Bonus
5%
5
5%
Reserve Factor
15%
15%
15%
Liquidation Protocol Fee
10%
10%
10%
Borrow Cap
11000
1N/A
\$40M
Supply Cap
1100(\$20M)
500(\$10M)
40m(\$40M)
Debt Ceiling

N/A N/A N/A uOptimal 80% 45% 90% Base 0% 0% 0% Slope1 4.8% 4.8% 4% Slope2 80%

Deployment Checklist:

- Risk service provider's feedback
- Technical evaluation
- · Oracle recommendation
- · The graph support
- · Cross-chain messaging infrastructure for governance

Useful Links:

80%

60%

TEMP CHECK forum post: [TempCheck] Aave v3 MVP deployment on Scroll mainnet

TEMP CHECK Snapshot vote: Snapshot

Disclaimer:

As part of its delegate platform, the ACI promotes L2 diversity. The Aave-Chan Initiative (ACI) is not associated with or compensated by Scroll for publishing this ARFC.

Next Steps:

- 1. Refine the ARFC based on community feedback and risk service provider recommendations.
- 2. If consensus is reached and the proposal is refined, submit the ARFC for a snapshot vote for final approval.
- 3. If consensus is reached, submit a deployment AIP to activate Aave V3 on the Scroll.

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