

title: [ARC] Add Safety module support for Aave V3 Ethereum market

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

Dated: 2023-01-31

## # Simple Summary

This proposal presents Aave with the opportunity to add Aave Ethereum V3 support for the safety Module

## # Abstract

The Safety Module is a set of smart contracts allowing AAVE & aBPT (representing Balancer V1 ETH/AAVE LP) token holders to stake their tokens in exchange for a share of the distribution of Safety Incentives sourced from the Aave Ecosystem Reserve.

Stakers in the safety module, lock their liquidity for a minimum of 10 days, and in the case of a shortfall event affecting the covered Aave markets, expose their stake assets to be mobilized to cover excess protocol debt up to 30% of their staked funds.

This AIP proposes to extend the coverage of the Safety module to Aave V3 Ethereum Contracts.

## # Motivation

Aave V3 is the most recent implementation of the Aave protocol, allowing new features, optimizations, and mitigation of risks.

Aave V3 has been battle tested for ~10 months in several networks, and its code was deemed safe enough to be allowed deployment on the Ethereum mainnet by the Aave governance.

The ACI is supportive of extending coverage of Aave V3 by the safety module in order to offer the V3 Ethereum users the same level of coverage as V2 users.

While the current version of the safety module has room for improvement and would benefit from a re-engineering and improved implementation, it's the currently available tool, and the deployment of V3 makes it a suitable candidate to cover Aave V3 users on Ethereum.

## # Specification

It is important to note that in the current implementation of the Safety module, a potential shortfall event needs to be implemented individually by an ad hoc AIP.

This proposal is then more a community guideline that sets precedence on Aave decision to support V3 in case of a shortfall event impacting the V3 market.

For this reason, this ARC, if consensus is found, can escalate to a snapshot vote but does not require a payload execution triggered by an AIP vote.

a Snapshot outcome thus would be considered canon without requiring an AIP on-chain vote with an empty payload.

## # Copyright

Copyright and related rights waived via [CC0](#).