

Since the birth of the Aave ecosystem (even on LEND times) as it usually happens on crypto, a lot of people have sent tokens by mistake to incorrect addresses.

In some cases, when the transfer is to another unknown wallet, the tokens are usually locked and lost forever, as it is factually impossible to prove that the transfer was a mistake.

But there are special cases, where the transfer happens to a well-known smart contract address of the ecosystem, for which is simple to understand that the action was really a mistake, as there is no rational reason to send tokens there.

In the case of Aave, the existence of upgradeable smart contracts across the ecosystem makes technically possible the recovery of such tokens sent by mistake. Consequently, given the requests from members of the community affected, we have come up with a plan to “rescue” those funds, providing the affected people a way to recover them.

Phases of the rescue

Even if almost in all cases it is technically possible to recover the funds, in practice it is overwhelmingly complex to try to cover all tokens sent by mistake to all contracts of Aave, as at the moment there are hundreds of them in multiple networks.

In addition, an operation that can seem “simple” from high-level, involves contract updates on critical smart contracts of Aave.

Taking into account the previous, and always considering the security of the ecosystem as first priority in all development, this “rescue mission” will be executed in 3 phases:

- Phase 1
- . Locked on smart contracts around the AAVE, LEND and stkAAVE tokens.
- Phase 2
- . Locked on smart contracts around the liquidity pools on Ethereum (v1, v2, AMM pools, aToken, ...).
- Phase 3
- . Locked on smart contracts around liquidity pools of other networks (same as Phase 2, but for Polygon, Avalanche, or v3).

Phase I

This initial phase will affect the following:

- Users who sent AAVE, LEND, USDT and UNI to the AAVE token smart contract
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- Users who sent LEND to the LEND smart contract
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- User who sent LEND to the LendToAaveMigrator smart contract
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- Users who sent AAVE and stkAAVE to the stkAAVE contract
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It is OUT OF SCOPE

to rescue token which total locked amount in this rescue scope is below \$500. For example, there is value of ~\$250 in BAT on the AAVE token contract, but the cost of rescuing will be probably higher than the amount rescued (gas dependant).

It is OUT OF SCOPE

to rescue the tokens sent by users from centralized exchanges like Binance, Coinbase, or others. The rationale for this is that from the perspective of the transfer, the affected user is not the final one registered on the CEX platform, but the platform itself.

We will try to communicate this strategy with CEXes, for if they have a way of solving this kind of situation. But as this is on the side of CEX<>final user there, we can't compromise to reach a resolution.

Actions expected from affected users

All tokens rescue will be transferred to a distributor smart contract, on which the individual claims for each user will be stored.

Once the tokens are there, it will be the responsibility of each user to use the wallet from where the tokens were sent by mistake to call this distributor contract and claim the tokens.

The specific instructions on what needs to be done will be published before the rescue takes place.

Next steps

During the following week, we will make public the WIP code to be used in the rescue operation. For the execution itself, given the high requirements (in terms of governance quorum) for the upgrade of the affected contracts, we think it is realistic to proceed with the on-chain governance during this following month, but this timeline could vary depending on how we see the potential voting involvement.

This is just an initial plan, so we appreciate feedback from the community, especially for those directly affected.