

Hello,

I am proposing to onboard jEUR on AAVE V3 when it is deployed on Polygon.

Summary

Synthereum is the first protocol of the Jarvis Network. It provides a capital-efficient manner to issue and exchange synthetic fiat currencies called jFIATs, on Ethereum, Polygon, Gnosis Chain, and the Binance Smart Chain.

jFIATs' main feature is the convertibility for their collateral (USDC on Polygon) and for other jFIATs at the oracle price, without price impact, enabling a 0-slippage on-chain Forex. This feature makes them usable: since one can convert them for USDC at any time, they keep their peg, and have the same market depth as USDC, and therefore are very liquid.

The protocol is integrated within Paraswap, so users can swap jEUR for any other token.

We have partnered with Mt Pelerin, a Swiss regulated entity, to provide users with a 0-fee 1:1 fiat on and off-ramp, directly on Polygon (and other EVM chains). Anyone can go from their Euro bank account to jEUR on Polygon, back and forth. One can even pay invoices in Euros using jEUR (our company only use jEUR for pay invoices, salaries, rent, and even taxes, since last July).

Combined with Paraswap, this partnership with Mt Pelerin allows to replace CEX, and provide users with a way to buy any token on Polygon with Euros, at a better rate than most CEX (including Binance, Kraken etc.).

We also have launched jXAF/jXOF, which are wrapper of jEUR (XAF and XOF are pegged to the Euro) to address the African market (+ we are building a fiat on and off-ramp in Africa). Any integration of jEUR is therefore accessible to jXAF/jXOF holders.

jEUR is a vital Euro stablecoin for the Polygon ecosystem since it can be converted for USDC at the oracle price; therefore, other euro stablecoins can be paired on Curve with jEUR in order to facilitate arbitrages to maintain their peg, or simply to access a greater liquidity.

We debuted on Polygon around September. Currently, the version 1 of the protocol is live, and is limited (only 625k USDC of liquidity has been used to run jEUR). A second version of the protocol, without limit, will be launch soon.

The protocol is very capital efficient and does not need a high TVL to works. 625k of USDC has enabled since October:

- 3.5M jEUR in circulation (\$4M).
- \$78M of volume on our primary market.
- 33k swaps by 9k users.
- \$20M of transfers (wallet to wallet, excluding swaps).
- \$50M on secondary markets (Curve, Kyber).
- \$10M of fiat on and off-ramp.
- 10k cumulative holders with 3k jEUR current holders.

Links

- Website: <https://jarvis.network/>
- Dune: [Dune Analytics](#)
- Docs: <https://learn.jarvis.network/>
- Code: <https://learn.jarvis.network/>

jEUR has no Chainlink price feed but it uses the EURUSD price feed of Chainlink to settle its trades.

Audits

We have had two different audits by Halborn and Ubik: [Audits - Jarvis Network - Synthereum](#)

Benefits for Aave V3

jEUR has the cheapest and most direct fiat on and off-ramp, which can create direct bridge between banks and a “Euro

saving account” on the Blockchain. We have multiple non-individuals (companies) who are looking to a place to save euro on the blockchain without taking the risks of yield farming program (like on Curve). Having jEUR on Aave, combined with our fiat on-ramp, would allow this use case to become a reality.

It would also allow users to borrow jEUR against various collateral, and off-ramp them for Euros.

For the African market, jEUR can be wrapped into jXAF or jXOF, and we are working on abstracting jEUR for the end-users (people in Africa could deposit jXAF into Aave and earn interest on top of it; in reality, we would unwrap the jXAF for jEUR, but the end-user won't see it).

jEUR being convertible for USDC at the Chainlink price feed, and being used by other euro stablecoins to maintain their peg and access liquidity (with a few more Euro stablecoin to join the party), it would be a perfect asset to borrow with leverage to perform arbitrages on Polygon.

jEUR also has a Direct Deposit Module allowing our DAO to mint uncollateralized jEUR and deposit them directly into money markets, to maintain a low-interest rate if needed.

jEUR could be used in isolation mode to limit the risk for Aave.

As a collateral, jEUR is also pretty safe since it always keep its peg and there is no slippage when buying/selling it on our primary market.

Risk Parameters

With the liquidity on Polygon in mind, I propose the following risk parameters. Obviously this is a first proposition and governance/risk team is more suited to choose better risk parameters:

1. V3 Efficiency mode EUR stablecoins (if it exists): 97% LTV, 98% liquidation threshold, 10% reserve factor
2. V3 Efficiency mode stablecoins: 90% LTV, 95% Liquidation threshold, 10% reserve factor
3. V3 Isolation mode: 50% LTV, 80% liquidation threshold, 20% reserve factor, 2M\$ debt ceiling.

Specifications

1. What is the link between the author of the AIP and the Asset?

I have founded the Jarvis Protocol.

1. Provide a brief high-level overview of the project and the token

See “Summary”

1. Explain positioning of the token in the AAVE ecosystem. Why would it be a good loan or collateral asset?

See “Benefits”.

1. Provide a brief history of the project and the different components: DAO (is it live?), products (are the live?).

Jarvis Network firstly launched a margin trading protocol in 2019, before switching to synthetic asset in 2020. We launched our testnet in 2020 and mainnet in February 2021. We launched the fiat on and off-ramp in July and the protocol was deployed on Polygon in September. In January we deployed it on the BSC and Gnosis Chain, and are now deploying it on Avalanche, Fantom and Arbitrum.

There is currently no DAO, only a community-owned multisig (5/8) managing the treasury and two company-owned multisig (2/3), one admin and one maintainer (the admin can only add or revoke a maintainer). The maintainer can upgrade some part of the protocols (minting and burning fees, adding/removing a new jFIAT, adding/removing supported collateral, calling the emergency shutdown function, changing the price feed) but does not have any access/control over any funds. and we are transitioning to a ve-model together with a token rebranding in Q2, accompanying the launch of the protocol v2.

We have a Dex and a Burner Wallet (gasless jFIAT wallet to onboard people at event).

1. How is the asset currently used?

The jEUR is very used for on and off-ramping (~\$10M of volume), paying salaries and invoices (~50k euros per month) and for yield.

1. Emission schedule

jEUR can only be minted following the rules of the protocol on Polygon: users can send \$X USDC to the liquidity pool to mint \$X of jEUR.

1. Token (& Protocol) permissions (minting) and upgradability. Is there a multisig? What can it do? Who are the signers?

The only thing that can be upgraded are the minting/burning fees and the addresses receiving these fees; adding new jFIAT; adding a new type of collateral; deploy new liquidity pools; calling the emergency shutdown function (settle all the jFIAT at the Chainlink price feed); changing the price feed.

1. Market data (Market Cap, 24h Volume, Volatility, Exchanges, Maturity)
2. Market Cap: €3.5M circulating (\$4M)
3. 24h Volume: \$2M on primary market, \$400k on secondary markets
4. Volatility: Low
5. Maturity: Early
6. Social channels data (Size of communities, activity on Github)
7. Discord: 3k members
8. Twitter: 16.1k followers
9. Contracts date of deployments, number of transactions, number of holders for tokens
10. Date of Deployment: Sep 2021 (Polygon)
11. Number of Transactions: 116k transactions including 30k swaps on primary market and 22k on secondary markets.
12. Number of holders for token: 3242 (more holders possible due to farming programs)