

title: [ARC] Add LUSD to Ethereum V3 Market

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

Dated: 2023-01-31

Simple Summary

This proposal presents Aave with the opportunity to onboard LUSD to the Ethereum v3 Liquidity Pool.

Abstract

LUSD is a decentralized stablecoin minted by the Liquity protocol. For more details about LUSD please refers to [Aave V2 ARC by [@TokenBrice](#) ARC: Add support for LUSD (Liquity)]

This ARC is a joint effort with [@Llamaxyz](#) to allow a selection of assets to be onboarded on V3 via the governance process. Both Llama & ACI will propose AIPs on onboard assets on V3...

Motivation

Supporting stablecoin diversity is part of the Aave-Chan Initiative (ACI) delegate platform.

The ACI does not have any link nor is paid by Liquity or any entity to present this ARC.

The risk parameters provided within are the same as those provided by Gauntlet within the [initial forum post](#) discussing which assets to onboard to v3 Ethereum.

The Interest rate Strategy curve is the same than for LUSD in V2. for now the ACI is supportive to onboard LUSD as it was on V2, when the V3 will be more mature, the ACI is supportive to work on AIP to allow usage of LUSD as a collateral.

By presenting each asset to be onboarded to v3 Ethereum individually, the community can focus on a specific asset, with individual Snapshots determining how to proceed. Finally, approved assets listings can be grouped for the on-chain AIP vote.

Specification

Ticker: LUSD

Contract Address: <https://etherscan.io/address/0x5f98805a4e8be255a32880fdec7f6728c6568ba0#code>

Risk Parameter

Value

Isolation Mode

NO

Enable Borrow

YES

Enable Collateral

NO

Loan To Value

N/A

Liquidation Threshold

N/A

Liquidation Bonus

N/A

Reserve Factor

10%

Liquidation Protocol Fee

N/A

Borrow Cap

1,210k

Supply Cap

3,000k

Debt Ceiling

N/A

Base

0%

Slope1

4%

Uoptimal

80%

Slope2

87%

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