Add USX as an asset on Aave

Hi! I'm a dForce community member helping with integrations.

References –

· Project: https://dforce.network/

· Whitepaper: documents/white_papers at master · dforce-network/documents · GitHub

· Codebase: dForceNetwork · GitHub

· Documentation: https://docs.dforce.network/

· USX token contract: 0xb5102cee1528ce2c760893034a4603663495fd72

Summary

dForce USD (USX) is a native over-collateralized decentralized stablecoin with current circulating supply of close to 200mil and it is currently deployed across Ethereum, Arbitrum, BSC and Optimism and it looks to deployed to more chains, like Polygon and Fantom.

USX also has the feature which could be highly integrated with lending protocol, that could supply liquidity into lending protocol, it is similar to DAI's D3M feature, that could help boost Aave's liquidity.

Overview

USX is the first decentralized stablecoin which is easily to be integrated with any lending protocol and vaults models, where it could support both pool-based multi-collateral as well as isolated-collateral vaults, makes it extremely flexible and efficient to support collaterals of different risk profiles, i.e major crypto as well as yield-bearing crypto and LP tokens.

USX is also the first decentralized stablecoin that features over-collateralization, highly capital efficient via PDLP (Protocol-Direct-Liquidity-Provision) and cross-chain operation (integrated with c-Bridge).

Its pegging mechanism is mainly determined by market supply and demand driven by interest rate policy, i.e in the event of depegging, to increase interest rate to shrink its supply or to lower the interest rate to increase supply and bring the price back to $1. USX is also setting up its liquidity pools against USDC and BUSD across a number of DEXes (i.e Dodo, Curve and Uniswap), which help to anchor its peg.

With circulating supply of close to 200m and growing, it is currently deployed and bridged across Ethereum, Arbitrum, Optimism and BSC, making it the few decentralized stablecoins with cross-chain capabilities.

USX is integrated with c-Bridge (Celer's bridging protocol) with zero slippage cross-chain capability, if USX accepted as collateral in Aave, this feature would allow Aave users move their assets across-chain with zero slippage.

Positioning within Aave Ecosystem

USX users are actively utilizing USX via lending protocol and dForce also incentivizes USX adoption, it will bring Aave additional revenue and incentives from its ecosystem.

dForce's other protocols, including its yield protocol, have integrated with Aave which could contribute TVL to Aave.

USX could accept Aave's aToken into its vaults as collateral, which could further help aToken holders to further leverage their capital.

USX's liquidity model allows it to supply liquidity directly into Aave via PDLP, this is similar to DAI's D3M module, which will directly contribute USX liquidity to Aave on demand.

Decentralized stablecoin is critical infrastructure in DeFi, we believe it is in Aave's benefit to support more decentralized stablecoin and it will help cement Aave's position as the dominating lending protocol and foundational protocol in DeFi. USX would allow AAVE ecosystem to diversify its decentralized stablecoin offerings. It will also help to bridge liquidity cross-chain, as USX is currently deployed and bridged across Ethereum, Arbitrum, Optimism and BSC.

In addition, users of USX would be motivated to utilize AAVE for leverage and arbitrage between stablecoins through borrowing on AAVE and to develop a variety of yield farming and leverage strategies by utilizing Aave and to increase Aave's protocol revenues.

Project History

dForce builds a complete set of DeFi protocols covering assets, lending, trading, serving as DeFi infrastructure in Web 3. USX is dForce's decentralized stablecoin protocol.

dForce has been engaged in DeFi since 2019 and is backed by Multicoin, CMBI and Huobi Capital with its core team of

crypto evangelists who have been into crypto since 2013.

dForce is currently deployed on Ethereum, Arbitrum, Optimism, and BSC with a TVL of $495m (Data Source: Defi Llama).

Our core protocols include both pool-based multi-collateral and vault-based single-collateral multi-currency stablecoins (USX and EUX).

We also have a pool-based multi-sided lending protocol which supports multiple collaterals with a market-driven dynamic interest rate model.

Security Considerations

dForce's smart contracts are audited by Trail of Bits, ConsenSys Diligence, Certik and Certora, with a bug bounty launched through Immunefi.

Attached are the [audit report](#) for USX