

title: [ARFC] Add BAL Ethereum v3

Author: [@Llamaxyz](#) - DeFi\_Consultants & [@solarcurve](#) (Balancer DAO)

Dated: 2023-01-31

## Summary

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

## Abstract

BAL is a strategic asset to Aave and any BAL earned from the pool could be used by Aave to bootstrap the adoption of GHO and/or the new aToken being developed by [@AaveLabs](#).

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.

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.

## Motivation

Listing BAL as a priority for Aave v3 reflects the strategic relationship between the two communities. Balancer and Aave completed a [200,000 BAL for AAVE token swap](#) and Aave later purchased an additional [100,000 BAL via a swap contract](#). With the launch of [GHO](#) getting closer and the [new aToken](#) from [@AaveLabs](#) currently in queue for audit, the potential use cases for veBAL are numerous.

Due to the potential use cases for veBAL in supporting bootstrap the growth of Aave, the BAL token is considered a strategic asset. Therefore, we believe listing BAL on Aave v3 Ethereum is a priority.

Balancer DAO is a large provider of liquidity on Ethereum v2 and also Polygon v3. A proposal by [@llamaxyz](#) for Balancer to deposit [additional BAL](#) into Polygon v3, up to the current SupplyCap, was recently approved by Balancer DAO.

For listing BAL, this proposal uses risk parameters suggested by Gauntlet on the original [\[ARC\] Aave v3 Ethereum Deployment: Assets and Configurations](#) post. The interest rate curve parameters have been sourced from [@Llamaxyz's \[ARFC\] BAL Interest Rate Curve Upgrade](#) post, which has passed through Snapshot.

## Specification

Ticker: BAL

Contract Address: [0xba100000625a3754423978a60c9317c58a424e3D](#)

Risk Parameter

Value

Isolation Mode

YES

Enable Borrow

YES

Enable Collateral

YES

Loan To Value

57%

Liquidation Threshold

62%

Liquidation Bonus

8.3%

Reserve Factor

20%

Liquidation Protocol Fee

10%

Borrow Cap

185k

Supply Cap

700k

Debt Ceiling

2.9m

Variable Base

3%

Variable Slope1

14%

Variable Slope2

150%

Uoptimal

80%

Stable Borrowing

Disabled

Stable Slope1

20%

Stable Slope2

150%

Base Stable Rate Offset

3

Stable Rate Excess Offset

5

Optimal Stable To Total Debt Ratio

20

Note: Stable borrowing is disabled, however parameters are provided in case enabled at a later date without amending other parameters specific to stable borrowing. The last 6 rows in the table above are to be confirm Gauntlet.

## Copyright

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