

# Title: [TEMP CHECK] Onboard STG to Ethereum Aave v3

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## Summary:

This TEMP CHECK proposes the onboarding of the STG token to the Ethereum Aave v3 Liquidity Pool.

## Motivation:

Stargate is a fully composable liquidity transport protocol central to Omnichain DeFi. It enables users and dApps to transfer native assets across chains while tapping into the protocol's unified liquidity pools with immediate guaranteed finality.

Over the past month, Stargate has processed transactions exceeding \$3.4 Billion, marking its position as the largest bridge in the crypto domain. The STG token, serving as the utility and governance token for the Stargate protocol, boasts a market capitalization of roughly \$110,000,000 and a circulating supply nearing 200,000,000 STG.

Integrating the STG token into the Ethereum Aave v3 will enhance asset diversification, offering borrowers and lenders expanded avenues to leverage the protocol. This integration will empower users to deposit STG as collateral and also borrow STG, paving the way for new revenue streams for Aave.

This onboarding is considered in isolation mode with conservative LTV and debt ceiling parameters to limit protocol exposure.

## Specification:

- Ticker

: STG

- Contract Address

: 0xaf5191b0de278c7286d6c7cc6ab6bb8a73ba2cd6

- Chainlink Oracle STG/USD

: [Chainlink Oracle](#)

## Proposed Risk Parameters:

Parameter

Value

Loan-to-Value (LTV)

35%

Liquidation Threshold

40%

Liquidation Penalty

10%

Reserve Factor

20%

Debt Ceiling

5M\$

Supply Cap

10M STG

Borrow Cap

8M STG

Stable borrowing

Disabled

Optimal Utilization Ratio

45%

Base rate

0%

Slope 1

7%

Slope 2

300%

(Note: If this proposal reaches ARFC stage, the risk Teams will be invited to provide feedback and fine-tune these parameters)

## Next Steps:

1. Gather community feedback on this TEMP CHECK.
2. If consensus is reached, escalate this proposal to the TEMP CHECK Snapshot stage.
3. if TEMP CHECK snapshot outcome is YAE, publish forum ARFC and collect both community & service providers feedbacks
4. If consensus is reached, escalate this proposal to the ARFC Snapshot stage.
5. If ARFC snapshot outcome is YAE, escalate to AIP stage.

## Disclaimer:

This proposal is part of the [Skyward program](#).

The ACI has not been paid by Stargate or any third party to propose this TEMP CHECK, at the time of writing, the Author does not own any STG token.

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