

Title: [ARFC] Onboarding of weETH to Aave v3 on Base

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ARFC has been updated with Risk Parameters provided by Chaos Labs

Summary:

This ARFC seeks to add [Ether.fi](#) Liquid Restaking Token weETH to Aave V3 on Base.

After the successful onboarding of both weETH to [Aave v3 Ethereum](#) and [Arbitrum](#), and latest ARFC to Increase Supply and Borrow Caps for weETH on both networks due to huge demand, this proposal will go direct-to-AIP following the asset onboarding framework.

Motivation:

eETH is an LRT that allows users to stake their ETH, accrue staking rewards, and receive additional rewards through native restaking on EigenLayer.

[Ether.fi](#) has also launched eETH on Arbitrum, allowing users on the L2 to get exposure to the LRT yield and points. As weETH has already been approved for onboarding to Aave v3 Ethereum and Arbitrum by the DAO, this proposal aims to extend the onboarding of weETH to Aave v3 on Base.

Proof of Liquidity and Deposit Commitments:

Anyone who deposits weETH into Aave on Base will accumulate [ether.fi](#) and EigenLayer points to be used for future incentives.

Specification:

weETH on Base: 0x04C0599Ae5A44757c0af6F9eC3b93da8976c150A

Chainlink weETH Market Feed: [Price Feed Contract Addresses | Chainlink Documentation](#)

weETH/ETH: [EACAggregatorProxy | Address 0xFC1415403EbB0c693f9a7844b92aD2Ff24775C65 | BaseScan](#)

weETH/eETH exchange rate: [EACAggregatorProxy | Address 0x35e9D7001819Ea3B39Da906aE6b06A62cfe2c181 | BaseScan](#)

Risk Parameters have been provided by Risk Service Providers so ARFC has been updated following their feedback.

Parameter

Value

Isolation Mode

No

Borrowable

Yes

Collateral Enabled

Yes

Supply Cap (weETH)

150

Borrow Cap (weETH)

30

Debt Ceiling

-

LTV

72.50%

LT

75.00%

Liquidation Bonus

7.50%

Liquidation Protocol Fee

10.00%

Variable Base

0.0%

Variable Slope1

7.00%

Variable Slope2

300.00%

Uoptimal

45.00%

Reserve Factor

15.00%

Stable Borrowing

Disabled

Flashloanable

Yes

Siloed Borrowing

No

Borrowed in Isolation

No

E-Mode Category

ETH-correlated

CAPO recommendations:

Given weETH employs buffered withdrawals for its underlying ETH equivalent exchange rate, the weETH/ETH exchange rate/USD will be utilized as the oracle alongside the correlated asset price oracle. We present our recommendations below.

maxYearlyRatioGrowthPercent

ratioReferenceTime

MINIMUM_SNAPSHOT_DELAY

8.75%

monthly

7 days

Useful Links

[Ether.fi](#)

[weETH Arbitrum onboarding](#)

[weETH Onbaording](#)

Disclaimer

This proposal is powered by Skywards. The Aave Chan Initiative is not directly affiliated with [Ether.fi](#) and did not receive compensation for creation this proposal.

Next Steps

1. Discussion period on the governance forum with addition of risk parameters.
2. Publish an AIP vote for final confirmation and enforcement of the proposal.

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