# [ARFC] Onboard ETHx in Aave V3 Arbitrum Market and set ACI as Emissions Manager for rewards

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## Summary

This ARFC proposes the addition of the liquid staking token ETHx from Stader to Aave V3 Arbitrum and making ACI the emissions manager.

## Motivation

ETHx represents Stader's staked ETH, providing users with liquid staking benefits. Supporting ETHx on Aave V3 continues our advocacy for LST diversity on Layer 2 networks. Stader is in the process of conducting liquidity mining campaigns on both Aave v3 Ethereum and has plans to incentivize liquidity on Arbitrum using their LTIPP ARB grant.

# Specification

Contract Address:

ETHx Arbitrum - 0xED65C5085a18Fa160Af0313E60dcc7905E944Dc7

Following Chaos Labs analysis, they recommend listing ETHx with the following parameter settings:

Parameter

Value

Isolation Mode

No

Borrowable

Yes

Collateral Enabled

Yes

Supply Cap (ETHx)

400

Borrow Cap (ETHx)

40

Debt Ceiling

-

LTV

75.00%

LT

78.00%

Liquidation Bonus

7.00%

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 Recommendation:

maxYearlyRatioGrowthPercent

ratioReferenceTime

MINIMUM_SNAPSHOT_DELAY

9.24%

monthly

7 days

The proposal will also set ACI as Emissions Manager to partner with Stader in managing ARB distribution rewards, similar to the current program for SD incentives on mainnet.

The Aave Chan Initiative (ACI) multisig address eth :0xac140648435d03f784879cd789130F22Ef588Fcd

will be set as Emissions manager.

The call to the setEmissionAdmin() method in the emission_manager contract will be as follows:

EMISSION_MANAGER.setEmissionAdmin(ETHx,0xac140648435d03f784879cd789130F22Ef588Fcd);

This method will set the Aave Chan Initiative (ACI) wallet as the emission admin for the ETHx token on Aave V3 Arbitrum Market.

# Disclaimer

The ACI is not presenting this ARFC on behalf of any third party and is not compensated for creating this ARFC.

# Next Steps

1. If consensus is reached on this [ARFC], it can be directly escalated to AIP following the asset onboarding framework.

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