

## Title:

[ARFC] Onboarding sfrxETH to Aave V3 Ethereum Market

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## Summary

This ARFC proposes the addition of sfrxETH from Frax to Aave V3 Ethereum to enhance LST liquidity and asset diversity.

## Motivation

sFrxEth is the Staked version of FrxEth from the Frax Ecosystem. Users can freely mint frxEth in exchange for ETH deposits.

The Aave-Chan Initiative supports LST diversity in Aave V3 as shown with our historical support of cbETH, rETH, and, parallel to this proposal, our support for ETHx.

This proposal is a reboot of [ARC Proposal: Onboarding sfrxETH from Frax Protocol to Aave V3 Ethereum Market 10](#) from January. More details for sFrxEth can be found in the first proposal.

## Specification

- \*Contract Address: sfrxEth : [0xac3e018457b222d93114458476f3e3416abbe38f2](#)

Risk Parameter

Value

emode

Yes

Isolation Mode

No

Borrowable in Isolation

No

Stable Borrow

No

Enable Borrow

Yes

Enable Collateral

Yes

Loan To Value (LTV)

71%

Liquidation Threshold

76%

Liquidation Bonus

8%

Reserve Factor

15%

Liquidation Protocol Fee

10%

Supply Cap

80000 sfrxETH

Borrow Cap

5000 sfrxETH

Debt Ceiling

N/A

uOptimal

45%

Base

0%

Slope1

7%

Slope2

300%

## Next Steps

1. Solicit feedback from the Aave community.
2. If community sentiment is favorable, proceed with the ARFC snapshot.
3. Success in the snapshot leads to the development of an AIP.

## Disclaimer

This proposal is powered by Skywards.

The Aave Chan Initiative is not directly affiliated with Frax Protocol and did not receive compensation for creation this proposal.

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