

[ARFC] Onboard ezETH to Arbitrum and Base Instances

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ARFC updated 2025-01-08 with latest Risk Parameters provided by Chaos.

Summary

This is an ARFC to gauge community sentiment for adding borrow/lend support for Renzo Protocol and its Liquid Restaking Token (LRT) ezETH on AAVE V3 Base and Arbitrum.

Motivation

As productive assets, staking tokens are high quality collateral to borrow against. ezETH is one of the largest liquid restaking tokens. With strong demand for ezETH on mainnet this proposal seeks to provide the opportunity for Aave users to make use of ezETH on leading Layer 2 networks: Base and Arbitrum.

The onboarding of ezETH on these L2s will create increased ezETH demand and increased revenues for both Aave and Renzo Protocol, whilst also bolstering the liquidity and peg stability of ezETH.

Chain to be deployed/listed

Aave v3 instances on Base and Arbitrum.

Proof of Liquidity and Deposit Commitments

ezETH deposits and wstETH borrows will be incentivized with Renzo Points.

Specification

ezETH contracts:

Arbitrum: 0x2416092f143378750bb29b79eD961ab195CcEea5

Base: 0x2416092f143378750bb29b79ed961ab195cceeaa5

Risk Parameters:

These will be provided by risk service providers and this ARFC updated with parameters accordingly.

ARFC updated with Risk Parameters by Risk Service Providers. 2025-01-08

Updated Specification

Arbitrum

Parameter

Value

Chain

Arbitrum

Isolation Mode

No

Borrowable

Yes
Collateral Enabled
Yes
Supply Cap
1,750
Borrow Cap
0
Debt Ceiling
-
LTV
0.05%
LT
0.10%
Liquidation Penalty
7.5%
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
Borrowable in Isolation
No
E-Mode Category
ezETH/wstETH, Arbitrum ezETH/Stablecoins

Arbitrum ezETH/Stablecoins E-Mode

Parameter

Value

Value

Value

Asset

ezETH

USDC

USDT

Collateral

Yes

No

No

Borrowable

No

Yes

Yes

LTV

72%

-

-

Liquidation Threshold

75%

-

-

Liquidation Penalty

7.50%

-

-

Base

Parameter

Value

Chain

Base

Isolation Mode

No

Borrowable

Yes
Collateral Enabled
Yes
Supply Cap
1,200
Borrow Cap
0
Debt Ceiling
-
LTV
0.05%
LT
0.10%
Liquidation Penalty
7.5%
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
Borrowable in Isolation
No
E-Mode Category
ezETH/wstETH, Base ezETH/Stablecoins

Base ezETH/Stablecoins E-Mode

Parameter

Value

Value

Asset

ezETH

USDC

Collateral

Yes

No

Borrowable

No

Yes

LTV

72%

-

Liquidation Threshold

75%

-

Liquidation Penalty

7.50%

-

CAPO

Following the analysis in [this post](#), we recommend using a 14-day MINIMUM_SNAPSHOT_DELAY and a maxYearlyRatioGrowthPercent of 10.89%.

maxYearlyRatioGrowthPercent

ratioReferenceTime

MINIMUM_SNAPSHOT_DELAY

10.89%

monthly

14 days

Useful Links

[Renzo Protocol](#)

[Documentation](#)

[Github](#)

[Audits](#)

[Chainlink Data Feed](#)

[Composable Stable Pool](#)

[TEMP CHECK for onboarding on Ethereum Instance](#)

[TEMP CHECK Snapshot for onboarding on Ethereum Instance](#)

[ARFC for onboarding on Lido Instance](#)

[ARFC Snapshot for onboarding on Lido Instance](#)

Disclaimer

This proposal is powered by Skywards. ACI is not directly affiliated with Renzo Protocol and did not receive compensation for creation this proposal.

Next Steps

1. Publication of a standard ARFC, collect community & service providers feedback before escalating proposal to ARFC snapshot stage.
2. If the ARFC snapshot outcome is YAE, publish an AIP vote for final confirmation and enforcement of the proposal.

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