Title:

[TEMP CHECK] Aave V3 deployment on BNB Chain.

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Simple Summary

This Temperature Check seeks community input on the possibility of deploying Aave V3 on the BNB Chain to expand Aave's presence and tap into BNB Chain's growing DeFi ecosystem and user base.

Background

BNB Chain is a thriving blockchain with a strong DeFi ecosystem and a large user base. With a TVL of approximately $5 billion, BNB Chain is the third-largest chain by TVL. The chain has a diverse array of DeFi offerings, including prominent projects like PancakeSwap, Venus, and several others. Deploying Aave V3 on BNB Chain could provide opportunities for growth and collaboration between the Aave and BNB Chain communities.

Motivation

Deploying Aave V3 on BNB Chain has the potential to benefit both Aave and BNB Chain ecosystems. Aave would gain access to BNB Chain's user base, DeFi ecosystem, and the potential for additional revenue. BNB Chain would benefit from having a flagship DeFi project like Aave on its platform, further diversifying DeFi options available to its users.

Specification

This TEMP CHECK presents the Aave governance with the opportunity to deploy Aave V3 on the BNB Chain with a selection of suitable assets for collateral, including BNB, WBTC, BETH, WETH, USDC, and USDT. Suggested risk parameters for each asset are provided in the table below. The ACI invites risk service providers teams to provide feedback on them.

Risk Parameter

BNB

WBTC

BETH

WETH

USDC

USDT

Isolation Mode

NO

NO

NO

NO

NO

NO

Enable Borrow

NO

NO

NO

NO

YES

YES

Enable Collateral

YES

YES

YES

YES

YES

YES

Emode Category

N/A

N/A

N/A

N/A

N/A

N/A

Loan To Value

65%

70%

60%

80%

82.5%

70%

Liquidation Threshold

70%

75%

70%

82.5%

85%

75%

Liquidation Bonus

10%

10%

5%

5%

5%

8.5%

Reserve Factor

10%

10%

15%

15%

10%

10%

Liquidation Protocol Fee

10%

10%

10%

10%

10%

10%

Borrow Cap

N/A

N/A

N/A

80.000

20,000,000

20.000.000

Supply Cap

5,000,000

5,000

20,000

100,000

50,000,000

50,000,000

Debt Ceiling

N/A

N/A

N/A

N/A

N/A

N/A

uOptimal

75%

45%

45%

80%

80%

80%

Base

0%

0%

0%

0%

0%

0%

Slope1

6.1%

7%

7%

4.8%

4%

4%

Slope2

100%

300%

300%

80%

80%

80%

Disclaimer

The Aave-Chan Initiative (ACI) is not compensated in any form by Binance & BNB for creating this Temperature Check proposal. This TEMP CHECK has been prepared solely to facilitate community discussion.

At the time of writing, the author owns ~75$ worth of assets on the BNB chain.

Next Steps

Temperature Check: Gather community feedback and assess sentiment towards the proposal of deploying Aave V3 on BNB Chain.

ARFC: If the Temperature Check Snapshot indicates positive sentiment, proceed to the ARFC stage for further discussion, risk parameter evaluation network analysis and finalization of the proposal.

AIP: If the ARFC stage Snapshot is successful, submit the proposal as an AIP for voting and on-chain governance approval.