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\$RUNE on Aave

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Summary

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Proposal by THORChain community member [Oaksprout](#)

RUNE has recently been growing its economic bandwidth on Ethereum. Myself and other community members have expressed a desire to be able to use the ERC-20 asset as collateral for lending. Aave is the premier credit facility in crypto, and so here is a listing proposal for the community's review.

Overview of THORChain and \$RUNE

THORChain is a decentralised network focused on bringing liquidity to cross-chain assets. It does this using a simple Uniswap-like automated market maker (AMM) design. Some have called it "Uniswap for the multichain world".

THORChain has been live with mainnet assets since September 2020 and its flagship multichain network is scheduled to go to testnet imminently.

The project is built on tried-and-tested technical and economic primitives, including Tendermint BFT, Cosmos SDK, Gennaro and Goldfeder's Threshold Signature Scheme (TSS) and a variant on Uniswap's constant function market making formula.

Useful Links

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- Main Website: <https://thorchain.org/>
- BEPSwap Interface: <https://chaosnet.bepswap.com/>
- Official Docs: <https://docs.thorchain.org/>
- Community Education Site: <https://rebase.foundation/network/thorchain>

Audits:

Audits have been completed since April 2020 by:

- CertiK – token model and application security
- Gauntlet – economic security & mechanism design
- Kudelski Security – cryptography review
- IOActive – node infra

No major issues were reported. The team reports further audits are underway. [See all reports.](#)

Benefits for Aave:

1. First-Mover: RUNE has only recently been made available as an ERC-20 asset, and Aave would be the first venue to make RUNE borrowing available.
2. Community and New Users: The THORChain community is extremely strong, vocal and eager to support related projects. This listing would bring a strong influx of new users.
3. Economic Bandwidth: the total economic value available in THORChain is approaching \$1bn, up from ~\$85m just 90 days ago.

Benefits for THORChain Community:

1. Efficient Token Use: allow holders to loan RUNE to people more willing to put the tokens to work via LPing, running nodes or arbitrage.

2. Extend RUNE's Value Proposition: increasingly, a token's value is tied to its maturity as an asset. Being able to access credit on RUNE is a major stepping stone towards full maturity.

Risk Mitigation:

THORChain has been extensively audited by top firms, including CertiK, Gauntlet and Kudelski. The initial single-chain chaosnet implementation has matured well and the multichain testnet has been running with Bitcoin and Binance, with chains including Ethereum, Cosmos etc following soon. The team has staged a pragmatic and disciplined guarded rollout with only minor issues to date. Having examined the Aave Risk Framework I expect RUNE to find itself around a B-/C+ rating.

Thank you for your consideration.

- List RUNE
- Don't List RUNE

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voters