

Below are some ideas based on what other leading DAOs are already doing.

Also, I think we need to think how the DAO wide elected Stewards can play an important role in this process.

Function of Stewards

Suggest a new model of compensation for Stewards that will have a part of compensation in USDT and part in APE that is vested over 1 year, but the voting weight is immediately given via Hedgey Finance, see info [Hedgey Vesting](#).

This will enable Stewards to have sufficient APE voting power to be meet the threshold to be a AIP off-chain proposer (in Model A). Please note some Stewards already have this voting power, but this will mean all Stewards can propose.

Potential New Structure - Model A:

Criteria

AIP - Ops / Temp Check Proposals

Executable Proposals

Type of proposal

Offchain

Onchain

Location

[Snapshot](#)

TBC <https://www.tally.xyz/gov/apecoin>

Function

Changes to process or working groups, Temp Checks

Distribution of Funds

Minimum threshold to propose

\$100,000 APE

\$1,000,000 APE

Quorum

≥ 10m \$APE, 50% Approval for Grants funding, 66% for Constitutional changes

≥ 15m \$APE*, 50% Approval (Votes 'For' + Abstain count towards quorum)

Voting period

TBC 6 days

TBC 7 days

Subject to time-lock?

No

Yes, 3 day time lock

Who can propose?

Ops proposals can be put forward by any Delegate or individual with at least 100,000 \$APE.

Ops Proposals that have a budget?

The Ops proposals can also include funding requests. If they include funding requests and they pass and reach quorum of 1%, they are then moved over to be voted on via Tally as an Executable proposal. The Foundation Administrator will be added as the author if the original author does not have 1,000,000 APE to submit it themselves in the system.

Ops that are Changing DAO fundamentals

Any Ops proposal that is changing the constitution or working group fundamentals will need 1.5% Quorum and 66% vote in favour.

Temperature Checks

Temperature check:

This is a preliminary vote that gauges the community's interest in a proposal before it moves on to the next stage. This is specifically for proposals that will be requiring funding from the DAO and are not for non budget request Off Chain proposals of the Foundation and/or Working Groups. If such proposals have the support of a delegation with over 1,000,00 APE they can be submitted directly via Executable Proposals.

Executable Proposals can be put forward by: any Delegate or individual with at least 1,000,000 \$APE; or Off Chain proposals that passed and reached quorum will be submitted by the Foundation.

Tally and Delegating

Please note that Delegating is a requirement in the tally platform. Therefore it would be expected that the amount delegated would significantly increase.

Quorum

: In order for a vote to pass, a certain percentage of APE tokens (total supply, Not circulating supply) must vote. The current quorum requirements are:

Type of proposal

Quorum

Abstain included

Constitutional

1.5%

N

Ops - Budget

1%

N

Temperature Check

1%

N

Executable

1.5%

Y

- AIP proposals, if passed, do not automatically execute any on-chain actions.
- Executable proposals, if passed, will execute the specified on-chain actions after the time-lock period

After some discussions with others some questions and answers.

Q1. Will this stop funding for people without funds to build?

A1. No as they will have time to reach out to delegations in advance to get support. They can also reach out to one of the Stewards who will have the necessary APE to put up a proposal.

Also they don't need the minimum threshold to put up an idea in the forum (here).

Q2. Why would people ask for a grant if they already have enough money to buy \$APE?

a) You don't need the APE, but you do need to convince a delegation, larger holder or a Steward to back your idea going to snapshot. If you can't convince one of these to support, how likely is your AIP idea to pass?

b) Having funds already doesn't stop someone asking for funds. The key point is what are they going to deliver that will make the DAO stronger.

Q3. Does this only support the rich?

A3. No, as adding a post in the forum, including an AIP idea would still only need 1 APE. However, to get to bring to vote will require you get buy in. It would actually help people with less APE realise to take the time in advance to gather support before they go to vote.

Q4. Won't people just buy the APE and dump it after the vote?

A4. Buying the 100,000 APE only gets your idea to vote, no guarantee it will pass. Also there are many avenues for support to get your idea to the temp check phase. I believe it will encourage people to reach certain thresholds of APE holdings or pool their funds together with delegations.

Q5. Should the APE not have to be staked for X amount of time?

A5. This could be a consideration. I need to check how technically it is possible to require someone has staked for X period of time. Also challenges if people are staking on various platforms.

Q6. Should BAYC who are fully staked be allowed to get an AIP proposal number?

A6. This is an interesting idea. Need to see how many BAYC now are fully staked. Can't be that many as 10k fully staked would equal $10.094 \times 10,000 = 100,940,000$ APE

I am open to the idea as it could encourage BAYC holders to buy back APE. It could be a good suggestion.

Q7. What problem are you actually trying to solve here?

A7. I see this can solve various problems at the DAO:

- i) Reduce admin overhead of the DAO.
- ii) Give benefits to creating delegations.
- iii) Give benefits to large holders.
- iv) Make AIP authors do necessary groundwork to gain a supporter BEFORE going to vote.
- v) If the BAYC fully staked is added it will encourage holders to fully stake.

Before ApeChain can get millions of holders enhancing APE demand, demand must come from larger holders. If new demand is greater the increase in circulating supply the price will rise. Only by having a stable or increasing price can the treasury support grants until returns from the Banana Bill commercial deals are realised.

Q8. How does this not introduce new problems like the centralization of power around whales and delegates?

A8. Don't forget smaller delegations as well as Stewards would be able to put forward proposals to snapshot. By growing more delegations it will actually enhance decentralization as will reduce the voting weight of a few whale holders.

Q9. How does this not build unnecessary barriers to individuals who cannot afford the \$APE to submit on their own, and are not able to navigate the additional power dynamics and politics you're introducing?

Q9. Stewards will be checking proposals in the forum. They can also join a delegation and get support from their community delegation.

Q10. Does this put too much onus on the stewards in terms of having them to vest their earnings (compensation)?

A.10 There are two options here:

1. Vesting as shown in the idea. USD + APE Vesting
2. Create a delegated wallet with 100,000 APE for each Steward. They get the voting, but they don't get to own it. They would still remain on USD equivalent compensation.

Q11. How to solve the problem of large holders or delegations extracting funds from aligned parties?

A11. A veto wallet could be added that can only vote no and not yes to a proposal. It is worth noting ens added this more for a governance attack vs a slow draining of the wallet by parties with vested interests.

Here is an example for a veto wallet by ENS.

The veto wallet (veto.ensdao.eth) in the ENS DAO serves as a security measure to protect against potential governance

attacks. Its key functions are:

1. It holds 3.8 million delegated ENS tokens that can only vote “Against” proposals[1][4].
2. This increases the total delegated market cap, making it more difficult for an attacker to gain control of the DAO through token purchases[4].
3. It acts as a short-term solution to prevent malicious proposals from draining the DAO's treasury[2].
4. The veto power is controlled by a multisig of trusted individuals who have pledged to use it only in case of attacks or to protect the DAO's constitution[1][4].
5. It provides a mechanism to cancel potentially harmful proposals during the 48-hour timelock period before execution[4].

This veto function was implemented in response to research showing that the ENS DAO was vulnerable to attacks due to its low percentage of delegated tokens compared to its treasury value[4]. While it introduces some centralization, it's designed as a temporary measure until more robust governance mechanisms can be implemented[1][2].

Citations:

[1] [Introducing veto.ensdao.eth - General Discussion - ENS DAO Governance Forum](#)

[2] [\[EP5.7\] \[Social\] Security Council | ENS Docs](#)

[3] [Contracts](#)

[4] [\[Temp Check\] Enable CANCEL role on the DAO - Meta-Governance - ENS DAO Governance Forum](#)

[5] [Voting Period Bulletin - Meta-Governance - ENS DAO Governance Forum](#)