

## PROPOSAL NAME

Special Council Vote Of No Confidence

## PROPOSAL CATEGORY

Process

## ABSTRACT

The goal of this AIP is for the community to vote on the merits of the role tasks performed by the Special Council members of the Ape Foundation.

In a time of much economic uncertainty as well as the rapidly declining value of the \$APE token and its failure to reach its intended goals, this AIP also seeks to reduce the number of Special Council members, reduce their salaries in the process, and enforce strict professional guidelines for the nominations of the Special Council members.

## RATIONALE

[APE-1](#) set specific rules for DAO governance. And some of those rules and guidelines are the subject of this AIP.

"APE Foundation, which will serve the ApeCoin DAO community and be governed by it, aims to be the heart of art, gaming, entertainment, and events on the blockchain.

A Board member may be removed and replaced prior to the term pursuant to a majority vote of token holders."

The DAO is spending the following on the Ape Foundation:

- \$1,249,980 per year on Special Council salaries of \$20,833 per month - for each member
- \$900K per year on WebSlinger (admin, finance etc) of \$75K per month
- Undisclosed sums to third-parties (e.g. Meta Law and others)

As a startup created around Mar 22, the Special Council has thus far failed not only to adhere to the guidelines setup by the founders, but has also placed itself above those very same guidelines in terms of performance, transparency and accountability. Some examples:

1. It has failed to provide explanation to the community as to the provenance surrounding a \$2.5M loan that is a part of the DAO [financial reports](#). You can find additional discussions in this [thread](#).
2. It has failed to provide the DAO community with audited financial reports as specified and required by the very same RFC that hired the previous Cartan Group and their replacement, the current WebSlingers group. You can read more about that in this [thread](#).
3. It has failed to adhere to the very same [AIP-2](#) that created the voting process in which the community that voted on it was assured - by the language of the AIP - that "Without a voting system in place, arriving at consensus on proposals would be centralized, with only a few people holding decision-making abilities. This proposal aims to avoid this result." The resulting and much-maligned voting system, in the form of a few whale wallets (people) controlling the outcomes of the voting, has failed to uphold this simple concept of fairness and equality.
4. It has failed to meet the goals and direction of the DAO by refusing to take steps towards the prosperity of the DAO in terms of the automation and speedy resolutions to approved AIPs. You can see the ramifications of this issue and #3

above with a glance at the secretary's [curated list of AIPs](#) and their dispositions.

1. It has failed to meet the accountability and transparency pledged to the DAO community in many instances. To the extent that it recently required an [AIP-282](#) (what does the SC actually do) and [AIP-305](#) (accountability practices).
2. It has seemingly placed itself above the rules of the DAO by refusing to honor an AIP request by a long-standing community member. In the fiasco over [AIP-277](#) which sought to reduce the SC salaries, the author was advised that his AIP could not be sent to vote due to the fact that if it passed - as by all accounts it would have - it would require the Ape Foundation to breach current employment contracts that it had signed. And so, the author had to put up another [AIP-337](#) which only took into account future SC salaries. In addition to that, another drama related to the Special Council salaries is currently in full swing over in this [thread](#).

3. It has failed, as per "See Phase 9: Implementation, item at #3

" to disclose to the DAO community the failure in the disposition of approved AIPs. To wit [AIP-209](#) was voted for in May 2023. According to this [post by the AIP author](#) it still wasn't funded as of Aug 9, 2023. For such an expensive and impactful AIP, despite several inquiries, the SC has thus far failed to provide any insight as to why this AIP was not funded during that time span, nor to the current disposition of said AIP. There are several other examples of this. I will, upon request, provide a

complete list in a follow-up comment.

1. Despite the fact that the DAO was set-up as a not-for-profit grants governing body, the historical record of the grants offered has created a situation whereby a litany of whale wallets - who probably would rather not see the treasury be spent because it affects their holdings - determine the outcome and disposition of even the most impactful AIPs which clearly benefit the DAO. The Special Council has failed to take steps to uphold and maintain the fairness and equality that the founding members envisioned and intended for the DAO; and one in which One APE equals One APE was the rallying cry.

## BENEFIT TO APECOIN ECOSYSTEM

A "No Confidence" vote, common in corporate environments, sends a clear signal that the community cares about how its leaders are managing the DAO and its interests, and that elected members of the Special Council are required to adhere to the guidelines imposed by the DAO, and that by its very nature, the Special Council is accountable to the DAO community as a whole, and further, that it is not above the DAO rules and guidelines because One APE equals One APE - no exceptions.

## STEPS TO IMPLEMENT & TIMELINE

1. Terminate the contracts of two (2) members of the Special Council with thirty (30) day notice to the affected members.
2. Send all five (5) Special Council names for DAO-wide vote. As an approved part of this AIP, this vote will go up in a format similar to AIP-256 where voters will vote for the two (2) people whose contracts should be terminated upon the passing of this AIP but with no "None Of The Above" option. The options are to be a total of five (5) names of the Special Council members only.
3. Going forward and on the passing of this AIP, require all new Special Council elections are to adhere to strict professional guidelines & qualifications for nominations for candidates with C Suite/Level experience and qualifications.
4. Going forward and on the passing of this AIP, require all members in new Special Council elections are to submit resumes along with their nominations. And these docs should remain visible on the ApeCoin DAO website and Discourse forum for as long as their contract is in force.
5. Require WebSlinger to conduct third-party audited financial reports as part of the DAO quarterly financials provided to the secretary of the DAO. This data would be made available to the DAO members via the treasury reports created by the treasurer.
6. Require the Special Council and/or WebSlinger to make available to the DAO community the official formation docs and bylaws of the DAO, including but not limited to any and all foreign and domestic documents thus far created, presently or in the future, and which pertain to the formation, administration and operation of the DAO. And these docs should be visible on the ApeCoin DAO website and Discourse forum.
7. Require the Special Council and/or WebSlinger to disclose to the DAO community the borrower and provenance of the \$2.5M loan present in its financial reports. We now believe these borrowers to be parties named Wintermute and Alameda; but we still require official confirmation as well as the details of these loans.
8. Require the Special Council to ratify and confirm that any contracts signed by members of the Special Council, Governance Working Group, Secretary - and all future hires - are subject to termination with or without cause as per AIP-1.
9. Require the Special Council to ratify and confirm that, going forward, an AIP submitted by a DAO member will only be rejected based on approved guidelines as per "Phase 6: Administrative Review" of AIP-1. The goal here is to prevent a repeat of the AIP-277 fiasco.
10. Require the Special Council and/or WebSlinger to implement fair and equitable voting reform in which the concept of "one ape [person] equals one ape" is maintained and the role of whale wallets in our voting system equitably adjusted to the benefit of all apes. The mechanics and implementation of this is at the discretion of collectively WebSlinger, Special Council and the Governance Working Group (herein the "Group") who are to collaborate on the creation of an equitable and fair solution. No voting for a final solution will be required. Instead, a Discourse forum topic will be created for the notification and discussion of whatever solution the Group have agreed to implement. This discussion period should take no more than 7 days, after which the discussion will be closed. During this 7-day period, any suggestions to the proposed implementation will be solely at the discretion of the Group.
11. Require the Special Council and/or WebSlinger to implement a more seamless (automated where necessary) and quicker process for the processing of AIPs, with a view to reducing the time it takes for an AIP to go from draft to admin review to voting, and for that time span to take no more than 21 days from the date of AIP draft to date of Snapshot voting.

All items are to be implemented effectively upon the passing of the AIP and are to be concluded within 60 days of the AIP passing.

OVERALL COST

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