

Abstract

Two or three sentences that summarize the proposal.

This AIP proposes a staking system for ApeCoin and the Bored Ape Yacht Club (BAYC) NFT ecosystem: Bored Ape Yacht Club, Mutant Ape Yacht Club (MAYC), and Bored Ape Kennel Club (BAKC). Staking participants will be able to stake ApeCoin and use the Bored Ape Yacht Club ecosystem NFTs to receive ApeCoin from a preset pool over a set period of time.

Motivation

A statement on why the APE Community should implement the proposal.

Last thing I wanted to do was add another staking proposal to the mix but I don't think we have the right solution yet. The goal of this proposal is to take the best pieces of what we have seen so far while aiming to be practical, fully functional and fair for all parties involved.

Staking models should seed the growth of the related token and NFT ecosystem. They can do this by expanding the audience while incentivizing early adopters and existing ecosystem participants.

One core goal of this AIP is to ensure that the staked BAYC ecosystem NFTs remain tradable regardless of a specific NFT's status in relation to a stake, so that the growth of the ecosystem isn't constrained by the lockup of staked assets. This allows new users to always have the opportunity to participate in staking after the launch of any staking period (each, a "Period"), by continuing to grant access to any BAYC ecosystem NFTs.

Another core goal of this AIP is to simplify the staking process for the end user. This proposal will utilize a single NFT pool with the same minimum APR of the originally intended pools (~46%). This proposal also will avoid having to "attach" your ape coin stake to your NFT and will allow users to capture all of the pool benefits with a single stake.

Rationale

An explanation of how the proposal aligns with the APE Community's mission and guiding values.

As a first step to ApeCoin becoming the preferred token of web3, early NFT adopters and existing and potential ecosystem participants should be incentivized.

This proposal is built around incentivizing existing and potential holders to engage in the ecosystem, one of several ways additional utility will be added to ApeCoin and BAYC ecosystem NFTs.

Key Terms (optional)

Definitions of any terms within the proposal that are unique to the proposal, new to the APE Community, and/or industry-specific.

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Specifications

A detailed breakdown of the platforms and technologies that will be used.

- Total ApeCoin Staking Pool:

17.5% of the total ApeCoin supply to be distributed over the Total Staking Period of three (3) years. This will be funded by the Ecosystem Fund.

- Staking Pool Periods:
 - Year One: 100,000,000 ApeCoin tokens (10.0% of the total ApeCoin supply)
 - Year Two: 50,000,000 ApeCoin tokens (5.0% of the total ApeCoin supply)
 - Year Three: 25,000,000 ApeCoin tokens (2.5% of the total ApeCoin supply)
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Note:

Unclaimed ApeCoin remains in the contract indefinitely until it is claimed. It cannot be recalled by the contract owner.

- Staking Pool Types:
- ApeCoin Staking Pool
- NFT Staking Pool
- ApeCoin Staking Pool
- NFT Staking Pool
- Staking Pool Allocations:
- Initial Staking Period:
- ApeCoin Staking Pool: 30,000,000 ApeCoin Tokens
- NFT Staking Pool: 70,000,000 ApeCoin Tokens
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Note:

The combined Staking Pool Allocations for the Initial Staking Period adds up to 100,000,000 ApeCoin tokens, or 10% of total ApeCoin Supply.

**** Initial Caps ****

-BAYC NFT: 10,094 ApeCoin

- MAYC NFT: 2,042 ApeCoin
- BAKC NFT: 856 ApeCoin

These caps will be adjusted in order to allow for each NFT in the ecosystem to provide the most benefit to its owner, the \$ape cap should adjust on a monthly basis. The formula for adjusting this cap will be as follows:

$12,992 \$APE \times (\text{the NFT's Cap } \%)$

$\text{BAYC Average Floor Price} + \text{BACK Average Floor Price} + \text{MAYC Average Floor Price} = \text{Total Floor Price}$

$\text{BAYC Average Floor Price} / \text{Total Floor Price} = \text{BAYC Cap } \%$

$\text{MAYC Average Floor Price} / \text{Total Floor Price} = \text{MAYC Cap } \%$

$\text{BACK Average Floor Price} / \text{Total Floor Price} = \text{BAKC Cap } \%$

Average floor prices are to be taken daily (at the same time) via an automated process and OpenSea is to be used as the marketplace of record. If possible & easy enough it would provide the most clarity to the DAO to publish this data regularly & autonomously. Floor prices are to be valued in ETH terms.

- Qualifications to Stake:
- The eligible ecosystem assets for staking or committing to the staking pools are ApeCoin, BAYC, MAYC, and BAKC NFTs.
- ApeCoin can be staked directly up to any amount during the Period, but for the NFT pool rewards the cap will be increased by the following amounts for each NFT:
- BAYC NFT: 10,094 ApeCoin
- MAYC NFT: 2,042 ApeCoin

- BAKC NFT: 856 ApeCoin
- Users can commit any number of BAYC, MAYC, and/or BAKC NFTs to the incentive pool during the Period. Committing an NFT is the act of attaching that NFT to your stake, which then allows that stake to attribute an increased amount of ape coin towards the NFT pool based on the caps above.
- A BAKC cannot be committed on its own to a stake. It must always be paired 1:1 with a BAYC or MAYC NFT in order to be committed.
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- A BAKC cannot be committed on its own to a stake. It must always be paired 1:1 with a BAYC or MAYC NFT in order to be committed.
- ApeCoin Token Lock and Claim:
- Accumulated ApeCoin can be claimed at any time without the need to also claim staked ApeCoin and without affecting the commitment status of an NFT.
- All accrued ApeCoin generated from a stake is claimed at once, when initiating a claim.
- The staked ApeCoin can be claimed, along with its accrued ApeCoin, directly by the original staking wallet. However, these are two separate transactions.
- Staked ApeCoin is still valid to be used to vote in the ApeCoin DAO.
- Users can stake ApeCoin and commit NFTs to the staking pool at any point during the Period, but the duration of an active stake directly affects the accrued ApeCoin, due to the time-weight combination incentive structure.
- The NFTs can be uncommitted from the staking pool by the NFT holder at any point in time.
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- ApeCoin Accrual:
- The ApeCoin that can be accumulated from staked ApeCoin, or any ApeCoin attributed to NFTs, is dependent on the amount of ApeCoin staked by the user, the duration of the stake, and the total amount of staked ApeCoin in the relevant staking pool.
- Any ApeCoin that is unclaimed as well as any ApeCoin in the NFT pool that are above the allowed cap will automatically be considered a part of the ape coin pool.
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- Maintained NFT Tradability:
- Only ApeCoin is ever staked. The NFTs themselves are never staked.
- If an NFT is used for a stake that isn't the original stakers wallet that NFT will be committed to the newly initiated stake and will be uncommitted from the original stake and the cap will be readjusted for that original staker based on the NFT being uncommitted.
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Example

I own Bored Ape 1000, Mutant Ape 1000 and BAKC 1000. I go to the staking section of the ape coin site and scroll to the NFT Pool. When I connect my wallet it will show me all eligible NFTs in my wallet. Every time I select an NFT my cap allowance will increase and when I select all 3 I will have a cap allowance of 12,992. I can then stake up to that amount of ape coin into the NFT pool. When I stake, those NFT token ids will be attached to my stake. After a few weeks I decide to sell my mutant. Upon selling the mutant my stake isn't altered at all, however if the new buyer decides they want to stake and use that mutant then the contract will find my stake that is currently using that mutant and remove that token id from my stake and add it to the new buyers stake. This will lower my cap from 12,992 to 10,950. My stake is still active and collecting rewards but only the 10,950 is going towards the NFT rewards. Anything above that amount (including unclaimed rewards) is considered a part of the ape coin pool.

Key Benefits

One NFT pool makes it much more simple for users because they only need to manage one stake. The rewards are exactly the same as they were in the individual pools. This also makes it much easier to do the monthly rebalance for the NFT cap ratio because everyone is using the same pool so the rewards don't have to change at all, only thing that needs to change is how much each NFT is able to put towards the rewards pool. Another major benefit is that you aren't attaching your NFT to the ape coin. This means you can do whatever you want with the NFTs without having to worry about losing the ape coin. This also means that you don't need to do a separate stake for every single NFT (which it appears all current proposals based on the original "key" method do require).

Steps to Implement

The steps to implement the proposal, including associated costs, manpower, and other resources for each step where applicable.

- - Smart Contract:
- Development of the Staking Process smart contract
- Smart contract security audit and QA
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- A proposal to be drafted and approved via the ApeCoin DAO for the allocation of ApeCoin for Staking Process, and the duration of the Period.
- Website (Design and Implementation):
- Staking and unstaking UI, for both direct ApeCoin stake and commitment of NFTs to stake
- Status of staking pools: amount remaining
- Accrual rate: current accrued, current weight
- Claim: unclaimed ApeCoin balance
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Timeline

Relevant timing details, including but not limited to start date, milestones, and completion dates.

The estimated time frame is 10-12 weeks.

Overall Cost

The total cost to implement the proposal.

\$200,000 – \$300,000

Estimate includes smart contract engineering, full stack engineering, UI/UX design, Project Management, QA, and auditing services.