

PROPOSAL NAME

Improving Funding Allocations To Benefit The DAO

TEAM DESCRIPTION

[@SmartAPE](#) | DAO member [Trust Level 3] | writer-of-many-words

I am an indie software developer who has been in the games industry as a gamer and game dev for over 40 years. I have designed, developed, and published over a dozen games during my career.

My first game, Battlecruiser 3000AD (aka BC3K), was a ground-breaking game that was ahead of its time. Published by Take Two interactive in 1996, it was one of their portfolio titles when [they went public](#) in 1997. So, you could say that I helped the company succeed to where it is today.

Over the decades, I have worked with some of the best software developers and publishers around the world, and my works have been featured in various online and print magazines around the world.

I am also a lifetime member of the [International Game Developers Association](#), and was Florida chapter board member for several years.

You can learn more about me on my professional [LinkedIn page](#).

PROPOSAL DESCRIPTION

As the DAO enters into a new era which will determine its future chances of survival, it is imperative that a clear distinction be made between grants, revenue share, and investments, and to manage the outflow of funds from the treasury which don't have an inflow of revenue.

A proposal author or business entity that is 1) either a pre-existing revenue generating for-profit business or intends to set one up as per the proposal, and 2) which is requesting up to \$100K in funding, commits to giving the DAO a percentage of its gross revenues, and such revenue share will be indicated in the proposal. If the proposal passes at vote, then the final revenue share percentage will be negotiated in good faith with the APE Foundation on a case by case basis. The APE Foundation has the option to opt-in to participate.

Until the Banana Bill renewal in 2026, any proposal that requires funding of \$100K or higher for revenue generating activity, is required to submit directly to the Banana Bill fund setup by [AIP-454: The BANANA Bill: Apes Gotta Eat](#). Such authors are to be directed to the [Banana Bill application form](#) where, upon approval by the fund, they will enter into a formal commercial agreement as required.

The DAO will no longer issue grants (no revenue share with the DAO) for amounts greater than \$50K. NOTE: Grant requests made by Working Group Stewards, and which are to fund their operational costs, payments and DAO related programs are exempt from this rule, this includes all working groups, present and future.

The AIP ideas and draft templates are to reflect the above conditions in the relevant BENEFIT TO THE APECOIN ECOSYSTEM and OVERALL COST sections so that author(s) are aware of these conditions prior to their submitting a proposal.

The AIP ideas and draft templates are to have a new section following the PROPOSAL NAME section, named FUNDING TYPE. The valid types are: GRANT, REVENUE SHARE, or INVESTMENT.

BENEFIT TO APECOIN ECOSYSTEM

[

ape_token_metrics

1277x629 89.7 KB

](<https://us1.discourse-cdn.com/apecoin/original/2X/0/0703438e8f7afe5c80e8b3ad260f2c431b160a14.jpeg>)

The DAO treasury is rapidly declining - alongside the \$ape token. At the current rate of spending and with all AIP allocations taken into account thus far, the DAO is expected to no longer be a going concern

within a span of 19 months.

Oh, and btw, we barely have \$100M left of disposable funds in the treasury. The [treasury dashboard](#) doesn't take into account pre-allocated treasury funds set aside for approved AIPs (e.g. \$100M Banana Bill)

In other words, going forward, the DAO needs number to go up

. And the only way that can happen is via sustainable revenue generating activities - preferably short-term ones with the 3 - 12 months time frame.

DEFINITIONS

GRANT

: A grant is a financial award provided by an organization, government, or individual to support a specific project, initiative, or cause. Unlike a loan, grants generally do not require repayment. They are often used to fund research, education, community projects, or other activities that align with the goals of the grant provider. Grants can be awarded to individuals, nonprofit organizations, educational institutions, or businesses, depending on the purpose and criteria of the grant. The recipient usually has to meet certain conditions or follow specific guidelines outlined in the grant agreement.

INVESTMENT

: A financial investment is the allocation of money or resources into assets or ventures with the expectation of generating a profit or achieving a financial return over time. Investments can take various forms, including stocks, real estate, business ventures, cryptocurrency etc. The goal of a financial investment is typically to grow wealth, generate income, or achieve specific financial objectives. However, investments carry varying levels of risk, and it's important for investors to assess their risk tolerance and conduct thorough research before committing funds.

REVENUE SHARE

: A revenue share agreement is a business arrangement where one party agrees to share a portion of the revenue generated from a particular venture, project, or business activity with another party. This type of agreement is often used in various contexts, such as partnerships, licensing, affiliate marketing etc. Key aspects of a revenue share agreement typically include:

- Revenue Percentage:

The specific percentage or amount of revenue that will be shared.

- Calculation Method:

How the revenue is calculated and reported.

- Payment Schedule:

When and how often payments will be made.

- Duration:

The term of the agreement and any conditions for renewal or termination.

- Roles and Responsibilities:

The obligations of each party involved in the agreement.

Revenue share agreements can align interests and incentivize performance, as each party benefits from the success of the venture. However, it's important for all parties to clearly define the terms and conditions to avoid misunderstandings and disputes.

STEPS TO IMPLEMENT

1. All AIPs entering the draft phase and which are by for-profit person(s) or entities, are required to indicate that the DAO will receive a percentage of its revenue from "Gross Revenue/Receipts" in the BENEFIT TO APECOIN ECOSYSTEM section of the proposal.
2. Until the Banana Bill renewal in 2026, all AIPs entering the draft phase and which are requesting funds in excess of \$100K in the OVERALL COST section of the proposal, are to be rejected, and the author(s) directed to the [Banana Bill application form](#).
3. All AIPs entering the draft phase and which are requesting grant (no revenue share to the DAO) funds in excess of \$50K in the OVERALL COST section of the proposal, are to be rejected. NOTE: Grant requests made by Working Group Stewards, which are to fund their operational costs, payments etc. are exempt from this rule, this includes all working groups, present and future.
4. The AIP ideas and draft templates are to reflect the above conditions in the relevant BENEFIT TO THE APECOIN ECOSYSTEM and OVERALL COST sections so that author(s) are aware of these conditions prior to their submitted a proposal.

5. The AIP ideas and draft templates are to have a new section following the PROPOSAL NAME section, named FUNDING TYPE. The valid types are: GRANT, REVENUE SHARE, or INVESTMENT. For example: "FUNDING TYPE: Grant"
6. All AIPs entering the Draft phase with an Overall Cost designated in \$APE (or non-USD denomination) would have the USD value of their request "locked in," and would be reported for the community in the AIP's Overall Cost section. This would happen during the transition of an AIP moving from the Idea to the Draft phase.
7. Should the Banana Bill run out of funds, then unless and until another such fund is setup, it will be up to the Special Council to determine whether or not to enter into a commercial agreement with proposals exceeding \$100K and which have passed at vote. This decision would be based on a majority vote of all 5 members of the Special Council.

REPORTING EXPECTATIONS

The expectation is that this proposal would be implemented by the DAO's administrative team.

The community should regularly review the impact of this proposal.

If accepted, the administration and the community should review the impact of the updates after the 3-month period for conflict ends.

OVERALL COST

Total amount requested from the ApeCoin Ecosystem Fund = No Cost

Providing they opt-in to participate, The APE Foundation would negotiate the final revenue share percentage with approved proposals that committed to giving the DAO a percentage of its gross revenues.

The APE Foundation is responsible for any administrative costs in implementing this proposal.