

## PROPOSAL NAME:

The BANANA Bill: Apes Gotta Eat

## TEAM DESCRIPTION:

### Authors:

Waabam, APE Foundation

Aepicurean, Full Moon Labs

Blockchainzilla, Horizen Labs

BoredApeG, APE Foundation

Hazel, APE Foundation

### Proposed Advisory Committee:

The proposed Advisory Committee is composed of community members with an array of expertises to leverage for the benefit of the Banana Program and APE Ecosystem. Their experiences have taken them across the globe and their skills cover, amongst other things, venture investment, brand and partnership strategy, legal and commercial execution, community relations, and entrepreneurship. The authors have spoken with each proposed member, all of whom expressed they would accept the role in their personal capacity if the Banana Program is approved.

Cameron Kates

Cameron Kates is the Chief Legal Officer at Yuga Labs. Before joining Yuga Labs, Cameron was a corporate attorney at national and international law firms. He took the crypto red pill in 2016, and has represented many leading NFT projects and marketplaces, token marketplaces, DeFi projects, layer-1s and layer-2s, and everything in between. When not doom-scrolling crypto twitter, Cameron can be found cheering for Philadelphia sports teams.

Won Kim

Won Kim is the Head of Brand Partnerships at Yuga Labs. Before joining Yuga Labs, Won co-founded Bored Room Ventures, a Web3 investment and consulting firm. His journey into the blockchain world follows an extensive career as a brand strategy and media executive, crafting compelling brand stories and forging strategic partnerships. Won's experience spans global enterprises like Disney, Alibaba, and IPG, as well as startups such as Digg, Vault, and BRV. Won lives in NYC, but you can mostly find him on Twitter @wonk1m

.

CaptainTrippy

Captain Trippy is an ApeCoin Community member and outgoing ApeCoin DAO Special Council member. Captain Trippy is currently a CEO, business adviser, investor and entrepreneur. Captain Trippy has a strong interest in the success of ApeChain and has been a steward and key team member from idea to current status. Leaning on his business experience and time working with the ApeChain team, he has a desire to continue to represent the community and to build upon his work to see ApeChain become a vibrant ecosystem for builders, gamers, entrepreneurs and beyond.

Minh Do

Minh Do is the Chief Operating Officer at Animoca Brands. Working on ApeCoin was the very first live project he worked on as part of the Animoca Brands team. Prior to joining Animoca Brands, Minh was an active investor in Web3 and blockchain and served as a global executive for the Gerson Lehrman Group, a New York headquartered financial and information services company. Minh started his career as a lawyer and remains an active angel investor. Minh is based at the global headquarters of Animoca Brands in Hong Kong. He is an active Twitter lurker [@minhdo](#).

Waabam

Waabam, an ApeCoin DAO Special Council member, is currently one of the production leads on ApeChain. Prior to his involvement in the ApeCoin DAO, Waabam worked in the corporate group of a national law firm where he performed due diligence and ran the data room on billion-dollar transactions. As a teenager, Waabam sold virtual items in EverQuest for a life-changing amount of real-life money, which ignited a passion for digital ownership and gaming that has carried over into his career in web3 and blockchain gaming. Waabam moonlights as a degen and is one of the top gold farmers on Blast.

[Placeholder]

Individual with industry-leading expertise in venture investment, gaming, and/or commercial execution, and a strong network

in the Asia-Pacific region.

[Placeholder]

Individual with industry-leading expertise in venture investment, gaming, and/or commercial execution, and a strong network in Europe, the Middle-East and Africa (EMEA).

#### **Proposed Regional Community Advisors:**

The Regional Community Advisors would support the Advisory Committee by providing community-centric feedback (e.g., whether the community would support a certain type of project on ApeChain). The intention is to leverage the global presence of the ApeCoin DAO so that the Banana Program has access to the best projects around the globe, and so that the Advisory Committee and Special Council can better understand the differences and opportunities. These advisors will not be asked to negotiate or review deal terms.

[Up to 3 representatives from the ApeCoin community in Asia, including at least one from Chinese Ape Club]

[Up to 3 representatives from the ApeCoin community in Europe, including at least one member from the French Ape Yacht Club or UK Ape Club]

[Up to 2 representatives from the ApeCoin community in North America]

[Up to 3 representatives from the ApeCoin community in other regions of the world]

#### **Proposed Strategic Accounts Manager:**

Horizen Labs will act as the Strategic Accounts Manager. Their efforts will focus on, among other things, (i) researching and identifying projects that may be suitable for the Banana Program, (ii) developing relationships with these new projects, (iii) gathering competitor data and conducting market research, and (iv) generally promoting and building brand recognition for ApeChain.

Their work will be led by:

Blockchainzilla

Spencer “Blockchainzilla” Soloway is an experienced Web3 and business executive. Currently the VP of Ecosystem Growth at Horizen Labs, where he has served for 2 years, he has been a leading voice and advocate around ApeChain from the beginning. Previously, he ran a successful marketing and strategy agency and has a background in growth, building partnerships, and business development, having served in multiple roles around cutting-edge technologies.

Tlogs.eth

Tyler “tlogs.eth” Logsdon is an inactive CPA, FINRA Registered Representative (Series 7), & Certified Bitcoin Professional who has led finance teams in the web3 space for +7 years. He is currently the Director of Finance at Horizen Labs and specializes in modeling blockchain architecture & tokenomics.

#### **Proposed Program Facilitator:**

Full Moon Labs will act as the Program Facilitator. Their work will focus on, among other things (i) developing and tracking the Banana Program partnership pipeline, (ii) analyzing the suitability of projects for the User Incentive Initiative and Commercial Agreement Initiative, (iii) performing diligence on prospective Banana Program participants, (iv) making recommendation to the Advisory Committee about prospective Banana Program participants, and (v) tracking performance of Banana Program participants (e.g., whether milestones are achieved).

Their work will be led by:

Aepicurean

Jordan “Aepicurean” Calinoff is the Founding Partner of Full Moon Labs, an ecosystem growth consultancy working on the launch of ApeChain. Aepicurean’s previous roles include VP of Strategy & Revenue at Horizen Labs; Director of the US Stress Scenario Coordination and Analysis team at UBS; Senior Research Analyst at Elliott Management (a \$73bn multi-strategy hedge fund); and founder of a frontier market consulting firm focused on deal making in South America.

#### **PROPOSAL DESCRIPTION:**

This proposal requests funding to support the long-term sustainability and growth of ApeChain through the creation of the “Banana Program”, with two complementary initiatives:

- a Commercial Agreements Initiative; and

- a User Incentives Initiative

The Commercial Agreements Initiative is tasked with negotiating commercial agreements with projects, companies and protocols committed to building on ApeChain. These commercial agreements will cover a wide array of structures and incentive models, including the possibility of revenue shares, collaborations, and other ownership arrangements. However, a key commonality will be that the terms of the commercial agreements will provide value to the ApeCoin DAO.

The commercial agreements may also incentivize builders to use community and stakeholder intellectual property in games, activations and/or protocols utilizing ApeChain, and to integrate ApeCoin into game and protocol economics on ApeChain.

Any proceeds generated from the commercial agreements will be redirected back into the overall budget for the programs so that this will become a reusable source of funding for supporting and growing ApeChain. Proceeds may come in various forms, such as tokens, revenue share (fiat or crypto), stock, or assets. Given that each of these will need to be dealt with on a case-by-case basis (e.g. what wallet would crypto revenue share be transferred to), the Special Council will determine for each Commercial Agreement how the proceeds will be returned to the Banana Program for continued use during the two year term, or returned to the ApeCoin DAO.

Similarly, the User Incentives Initiative (as detailed further below) will distribute user incentives with the goal of proportionally growing the network, and may be used as a part of the overall package when negotiating the core economic terms of the commercial agreements.

The Advisory Committee will oversee both programs, including providing endorsements for commercial agreements that will be subject to Special Council veto-authority. The Advisory Committee will be initially composed of the members noted above, and will be supported in day-to-day operations by a Program Facilitator and Strategic Accounts Manager.

This proposal will create a vibrant and attractive environment for game publishers and developers, DeFi protocols, and others seeking to build on ApeChain. The commercial agreements will aim to create a steady stream of future revenue and value, empowering the ApeCoin DAO to continue funding growth many years into the future.

This proposal will Bolster ApeChain Network Activity through New Allocations (BANANA). This is the BANANA Bill: Apes Gotta Eat.

## **BENEFIT TO APECOIN ECOSYSTEM:**

We anticipate that the ApeCoin DAO will receive ongoing revenue from capturing around 77.5% of the fees generated from user activity on ApeChain. As such, ensuring the chain's success should be a top priority of the DAO.

Additionally, the chain's growth will offer other valuable opportunities for the DAO, including but not limited to airdrop negotiations, bridge liquidity with associated fee capture, and increased utility for \$APE.

### **(1) User Incentives Initiative for ApeChain**

The User Incentives Initiative will provide a pool of rewards for users of ApeChain. This initiative will focus on growing the ApeChain ecosystem by educating and encouraging users to try out different dApps, with the goal of a larger proportion of rewards being allocated to dApps that most strongly contribute to the sustainable growth of ApeChain. This initiative will also focus on indirectly growing the ApeChain ecosystem by incentivizing the creation of dApps, community intellectual property, and other content on ApeChain.

The initiative will be overseen by the Advisory Committee with support from the Program Facilitator and Strategic Accounts Manager. The responsibilities of the Advisory Committee include:

- Negotiating the size and methods of distribution of incentives through dApps.
- Creating and managing user incentive analytics, such as growth and adoption metrics, to measure the benefits of the incentives
- Identifying industry leading incentive distribution methods and implementing them on ApeChain.

### **(2) The Commercial Agreements Initiative for ApeChain**

The Commercial Agreements Initiative will facilitate the seamless creation of bespoke commercial agreements with companies and individuals that want to utilize ApeChain. The Advisory Committee may also leverage the User Incentives Initiative to optimize the terms of the commercial agreements. This initiative will be overseen by the Advisory Committee, with day-to-day support from the Program Facilitator and Strategic Accounts Manager. The responsibilities of the Advisory Committee in overseeing the Commercial Agreements Program include:

- Reviewing Proposals: reviewing proposals for commercial agreements submitted by applicants, including the potential for value accrual for the ApeCoin DAO.
- Assessing Alignment with Ecosystem Growth Strategy: Beyond purely economic analysis, evaluating whether the proposed commercial agreements align with the mission, strategy, and values of ApeChain and the ApeCoin DAO.

They may only endorse partnerships or collaborations that benefit the ApeCoin DAO and advance its objectives.

- Financial Analysis: analyzing the financial aspects of proposed commercial agreements, including:
  - Potential for value accrual
  - Costs
  - Profitability
  - Sustainability
  - Potential for value accrual
  - Costs
  - Profitability
  - Sustainability
- Risk Assessment: Conducting risk assessments of each proposed commercial agreement. This involves evaluating potential risks and benefits, assessing financial implications, legal considerations, reputational risks, and any other factors that may impact ApeChain.
- Due Diligence: Performing due diligence on potential partners or collaborators to ensure their credibility, reliability, and suitability for the proposed commercial agreement. This may include background checks, financial analysis, and assessment of past performance.
- Legal Review: In collaboration with legal counsel, reviewing proposed commercial agreements under applicable laws, regulations, and policies.
- Decision Making: Based on their evaluations and assessments, recommending which commercial agreements to enter, which are subject to veto by the Special Council of the APE Foundation.
- Monitoring and Oversight: Once commercial agreements are approved and implemented, providing ongoing monitoring and oversight to monitor compliance with agreed-upon terms and objectives. The Advisory Committee may periodically review performance metrics, financial reports, and other relevant information to assess the effectiveness and impact of the agreements.
- Reporting: The Advisory Committee charter will be made public, and each quarter there will be a transparency report disclosing the total amount allocated that quarter, and outlining which commercial agreements have been made (but not the specific terms of each agreement), subject to any duties of confidentiality negotiated with the counterparty in the commercial contract.

## **DEFINITIONS:**

**Advisory Committee:**

The group of five or more advisors responsible for overseeing the Commercial Agreements Initiative and the User Incentive Initiative.

**Commercial Agreements Initiative:**

The Commercial Agreements Initiative will negotiate commercial agreements with projects, companies and protocols committed to building on ApeChain.

**Project Facilitator:**

The person or persons responsible for providing day-to-day operational support of the Advisory Committee.

**Regional Community Advisors:**

The persons responsible for providing the Advisory Committee with community-centric feedback, including whether the community in their geographical region would support a certain type of project on ApeChain.

**Strategic Accounts Manager:**

The person or persons responsible for account management, business development, and business assessment of proposed projects and their tokenomics.

**User Incentives Initiative:**

The User Incentives Initiative will provide a pool of rewards for users of ApeChain.

## **STEPS TO IMPLEMENT:**

### **Initial Steps towards Implementation:**

- Within 14 days of passage of this proposal, the Advisory Committee, Program Facilitator and Strategic Accounts Manager will negotiate detailed Scopes of Work (e.g., the terms of their agreements) with the APE Foundation.
- After the confirmation of the Scope of Work, the Foundation will draw up contracts for the above.
- The Advisory Committee will be required to provide a transparency report on their accomplishments towards the DAO on a quarterly basis.
- The APE Foundation will work with their legal counsel to determine the appropriate legal structure for this initiative.

### **Milestones/KPIs/Expectations/Risks**

The Banana Program provides an opportunity for the DAO to exercise its commercial power, but to do so, the Advisory Committee and Special Council must maintain flexibility and negotiating weight. While, the Banana Program's north star is to provide as much value back to ApeChain and the ApeCoin DAO as possible, whether that comes in the form of utility, increased usage, financial returns or otherwise, publishing specific milestones, KPIs, expectations or risks could be used by counterparties to seek more favorable Commercial Agreements.

However, the Advisory Committee and Special Council will supervise internal KPIs and other metrics to measure the success of the Banana Program, and the performance of the Program Facilitator and Strategic Accounts Manager. These KPIs and other metrics may include, but are not limited to, Banana Program transactions, benefits resulting from allocated funds, geographic distribution and sector penetration and segmentation, DAU and MAU, and attention metrics.

Additionally, the Program Facilitator, Strategic Accounts Manager, Advisory Committee and Special Council will meet regularly to discuss goals, progress with respect to success metrics, and approaches to reducing risk for the Banana Program. The Advisory Committee and Special Council will leverage the APE Ecosystem's expansive network of experts, community leaders, entrepreneurs, and innovators to increase the opportunities for the Banana Program's to succeed.

### **Initial Guidelines on the Implementation of Initiatives**

#### **User Incentives Initiative Guidelines:**

- Early user incentive rewards will be allocated in the largest proportion to dApps that most strongly contribute to the sustainable growth of ApeChain. This includes but is not limited to:
- dApps that incorporate token sinks or lock-ups
- dApps that utilize community IP in novel ways
- dApps that utilize novel features of ApeChain infrastructure
- dApps that incorporate token sinks or lock-ups
- dApps that utilize community IP in novel ways
- dApps that utilize novel features of ApeChain infrastructure
- The criteria for setting the dApp incentives will be continually reassessed and determined by the Program Facilitator with oversight from the Advisory Committee, and the APE Foundation.

#### **Commercial Agreements Initiative Guidelines: Infrastructure**

- The Program Facilitator and Strategic Accounts Manager, in coordination with the Advisory Committee, will regularly assess the state of the art in the industry and put out RFPs for critical on-chain infrastructure.
- Additionally, on-chain infrastructure providers and builders may apply directly for funding.
- The Advisory Committee will be responsible for reviewing competitive market pricing and negotiating economics and other commercial arrangements accordingly.
- The Advisory Committee will create milestone guidelines and implementation timelines through working with the Program Facilitator, Strategic Accounts Manager and the Special Council of the APE Foundation.

#### **Commercial Agreements Initiative: Games, DeFi, and other activations**

- Developers or publishers must agree on a commercial agreement value share through tokens, revenue share (post recoupment), or other pathways. Other considerations include active use of Ape Community IP, pass-throughs of ApeCoin as user incentives and other key strategies that intangibly benefit the Ape ecosystem.
- The Advisory Committee, with support from the Program Facilitator and Strategic Accounts Manager, will create more detailed deal structure guidelines upon its formation.
- The Advisory Committee will create transparent reporting guidelines and work with the Program Facilitator and Strategic Accounts Manager to build and maintain that platform.

#### **Timeline:**

- June 20, 2024: AIP goes to vote
- July 3, 2024: DAO voting concludes
- July 3 - July 17 2024: Statements of work finalized and contracts executed
- July 24, 2024: Commercial Agreements Initiative and User Incentives Initiatives begin
- July 24, 2026: The Banana Program will be complete, with any remaining funds returned to the DAO treasury.

#### **REPORTING EXPECTATIONS:**

As detailed above, transparency reports will be provided quarterly by the Advisory Committee to the APE Foundation, who will then make the reports public. The Program Facilitator will continually work with the ApeCoin DAO Governance Working Group to improve transparency and identify technology tools that should be implemented to improve the visibility of these initiatives for DAO members.

#### **OVERALL COST:**

Total: 100

Million ApeCoin with target allocations to the following initiatives:

User Incentives Initiative:

23 Million APE in total

Commercial Agreements Initiative:

73 Million APE in total

Administrative Budget:

2 Million APE per year, to be paid Quarterly

- Advisory Committee: up to 1,250,000 APE
- Program Facilitator (including all team members): up to 300,000 APE
- Strategic Accounts Manager (including all team members): up to 450,000 APE

The Program Facilitator and Strategic Accounts Manager will rely on additional team members and resources at their respective companies to perform all of their responsibilities as needed, staying within the Administrative Budget allocated above, with any changes subject to Special Council approval.

The administrative budget is also meant to cover any incidental costs related to the management of the program, including compensation for the Regional Community Advisors. The administrative budget is currently estimated at 2% of the total budget annually and should not exceed 3%. Note that this administrative budget is an estimate, and may be higher or lower depending on the number of Advisory Committee members.

The compensation paid to each eligible Advisory Committee member will be based on their experience and skillset. However, in all cases, the total amount paid to any individual Advisory Committee member will not exceed 250,000 APE per-year, and all compensation will be subject to a 50% one-year lockup.

#### **Specifically Approved Limitations:**

- Yuga Labs may not receive any funds from the Banana Program, whether under the Commercial Agreements Initiative or the User Incentives Initiative

- Any person that is a Yuga Labs or Animoca employee, or any project or business owned by such person, may not receive compensation as a member of the Advisory Committee, as a Program Facilitator, or as a Strategic Accounts Manager.
- Any person, or any project or business owned by such person, who is a member of the Special Council, Advisory Committee, a Program Facilitator, or a Strategic Accounts Manager may not receive any funding under the Commercial Agreements Initiative or the User Incentives Initiative, unless such potential conflict is disclosed to the Advisory Committee and such person recuses him or herself from any decision making.

Any Advisory Committee member already receiving compensation from the APE Foundation may not receive the compensation listed here. For example, any Special Council member on the Advisory Committee will not receive the compensation otherwise intended for an Advisory Committee member.

### **Specifically Approved Terms:**

- 100,000,000 APE to be used for the Banana Program, provided:
- Up to 65,000,000 APE may be allocated under the Commercial Agreements Initiative in Year 1
- Up to 23,000,000 APE may be allocated under the User Incentives Initiative in total, and no more than 73,000,000 APE may be allocated under the Commercial Agreements Initiative in total, unless the Special Council approves such adjustment
- Up to 65,000,000 APE may be allocated under the Commercial Agreements Initiative in Year 1
- Up to 23,000,000 APE may be allocated under the User Incentives Initiative in total, and no more than 73,000,000 APE may be allocated under the Commercial Agreements Initiative in total, unless the Special Council approves such adjustment
- Two year term for the Banana Program, such that any APE not allocated under the Commercial Agreements Initiative or the Users Incentives Initiative by the end of the term will be returned to the ApeCoin DAO treasury
- Approval to spend no more than 3,000,000 APE per year on administrative expenses, including but not limited to, payments to Advisory Committee members, any Program Facilitator, any Strategic Accounts Manager, or any other consultant or advisor providing services to support the Banana Program, legal and business costs and expenses, and other similar costs or expenses.
- The Advisory Committee to oversee the Banana Program based on its Charter (see below) and for the Special Council to oversee the Banana Program and Advisory Committee based on the Banana Program Rules (see below)
- The people identified above (acting in their individual capacity) will initially make up the Advisory Committee, the Program Facilitator, and the Strategic Accounts Managers, as identified above.
- The Special Council may appoint up to two more Advisory Committee members in accordance with the Banana Program Rules (see below) so that the total number of Advisory Committee members will not exceed 7.
- All funds allocated under the Banana Program must be affirmatively endorsed by a majority of the Advisory Committee (e.g. 3 of 5, 4 of 6 or 4 of 7) and must not be vetoed by the Special Council.

### **Specific Requirements of Approval:**

- Within 30 days of the Banana Bill passing:
- The Advisory Committee will submit for the Special Council's approval its "Charter", which outlines its decision-making process and standards, which will at a minimum require that a majority of the Advisory Committee approve making an endorsement under the User Incentive Initiative or Commercial Agreement Initiative
- The Special Council will publish the Banana Program Rules for (i) adding or replacing members of the Advisory Committee, (ii) vetoing an Advisory Committee recommendation, with the intent to veto only in limited, objective circumstances, and (iii) replacing the Strategic Accounts Manager or Program Facilitator, which will only be initiated upon the recommendation of the Advisory Committee.
- The Advisory Committee will submit for the Special Council's approval its "Charter", which outlines its decision-making process and standards, which will at a minimum require that a majority of the Advisory Committee approve making an endorsement under the User Incentive Initiative or Commercial Agreement Initiative
- The Special Council will publish the Banana Program Rules for (i) adding or replacing members of the Advisory Committee, (ii) vetoing an Advisory Committee recommendation, with the intent to veto only in limited, objective circumstances, and (iii) replacing the Strategic Accounts Manager or Program Facilitator, which will only be initiated upon the recommendation of the Advisory Committee.

- Each quarter during the two year term, subject to confidentiality obligations, a transparency report will be published identifying at a minimum (i) the amount of APE allocated under the Commercial Agreements Initiative and User Incentives Initiative during the prior six months, and (ii) the number of commercial agreements entered into in the prior six months, along with the names of the counterparties.
- The APE Foundation, upon advice of legal counsel, may structure the execution of the Banana Program as advisable or necessary under applicable law.