Proposal Name

Boring Security - For The Long Haul!

Previous Proposal: [AIP-9: Boring Security - Ecosystem Fund Allocation](#)

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Category

Ecosystem Fund Allocation

Abstract

Boring Security is a not-for-profit DAO that provides free classes, resources, and a place for everyone in NFTs and web3 to go to learn the things needed to stay secure. Boring Security answers the question in the space of "Where can I go to get high quality, vendor neutral, unbiased security information in the web3/NFT space?".

Motivation

Boring Security has found success, but continued staffing, professionalization, and focus is needed. Admittedly, attracting Yuga asset and Apecoin holders to our ecosystem to consume our learning material has been challenging. Despite that however, Boring Security has grown from a handful of contributors teaching a few classes every now and then to a platform we believe the ecosystem really needs. We want to address these problems head-on and be able to fund the DAO's efforts stress-free!

We also believe the existence of Boring Security has an extremely positive effect on the Apecoin and Yuga brands, which align well with the Apecoin DAO's overall goals. We want to keep building, but we also want to build ourselves a treasury strategy that will allow us to cover our expenses in perpetuity. This will shield us from ever having to request funding from end users of our platform, ensuring all of our classes, content, and resources stay free forever. Voters should vote in favor of our proposal if they want Boring Security to be a permanent fixture of the Apecoin & Yuga ecosystem, and continue to play an integral role in allowing people to confidently and safely navigate web3 (and have apecoin to thank for it!).

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Two of our contributors, Quit & Noohp, grinding away in the basement, keeping the club safe!

Rationale (Success of AIP-9)

We requested 6969 Apecoin in our initial grant proposal to help facilitate our first 3-6 months of operations. Since then we've built up strong partnerships, picked up amazing contributors, and have our sights set on being an integral part of web3 education for the long-term. So far, we think we're off to a pretty strong start! We have executed several partnerships, as well as plans to expand our content to five languages by the end of the year. We have a guiding principle of inclusivity and diversity, and want web3 to be built and enjoyed by everyone, not just those with expensive monkey jpegs!

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Partner Reel: A subset of our partners and some promotional material used for them.

Following the 6969 (~$35,000) $APE grant, Boring Security has:

- Amassed 5000+ twitter followers

- Educated over 600+ NFT holders

- Grown the Boring Security discord community to 2300+ members

- Inducted 450+ Boring Security token holders who passed a test demonstrating competent security knowledge into the Alumni Circle

- Partnered with 20+ communities

- Recruited 20+ contributors

- Translated our classes into two other languages: Spanish and German

- Launched our Boring Security Supporter Grid DAO NFT w/ MurAll's help.

- Written 10+ articles on our newly launched CMS platform (October Launch)

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Promotional Material from our Spanish class taught this month

With this funding, operationally we were able to:

1. Setup Coordinape and fund it with a portion of our Apecoin each month. DAO participants were paid out every month, based on their effort into the DAO and the perceived value of other contributors in the contributor bucket.

2. Hire (1) staff member out of a legal entity already created to facilitate this effort. This staff member has been doing outreach, tracking attendance to courses, website content updates, issuing our BS101 NFTs, coordinating volunteer and partner activities & classes, Coordinape payout handling, tracking our metrics, and more.

Coordinape: The lines represent votes for compensation of our Coordinape Budget. We're Growing!

Of the 6969$APE grant (and 4.5ETH Seed Funding provided by Feld), Boring Security has spent:

Recipient

Category

$ Total

% Total

Description

@fancyrats.eth

Staff

-$5,194.35

18.44%

Web Dev

Feld

Contributor

-$3,494.51

12.41%

Instruction, and paying contributors external to the DAO

og69.eth

Art

-$2,387.07

8.47%

Boring Security Neon Sign

[@AlexMarks3D](#)

Contributor

-$1,930.57

6.85%

3D Design

noohp

Contributor

-$1,673.43

5.94%

Resident Discord King

Kentasi.eth

Art

-$1,650.00

5.86%

MurAll (Supporter Grid) Art

Partner Assets

Partnership

-$1,509.49

5.36%

Various collections found in [opensea.io/boringsecurity](#)

[@quit](#)

Contributor

-$1,426.71

5.06%

102 Classes and 102 coursework, plus more

[@mattborchert](#)

Contributor

-$1,411.39

5.01%

OG Instructor

crypto_kfx

Contributor

-$1,160.05

4.12%

OG Instructor

Premint

Tools

-$1,149.81

4.08%

To handle enrollments

WiiMee

Contributor

-$968.74

3.44%

German Instruction, English Instruction, Content Creation, Discord helper

Sheftali

Contributor

-$897.75

3.19%

Web Dev

subversieve

Contributor

-$747.63

2.65%

Scheduling, Partnerships

@Asherah

Contributor

-$513.00

1.82%

Instruction

Bored Ape Craftsmanship Club

Art

-$500.00

1.77%

Art for 102

Ethereum Network

Gas

-$380.86

1.35%

Gas

freekycrypto.eth

Contributor

-$346.88

1.23%

Modding & Spanish Class Instructor

simonartonline

Contributor

-$263.18

0.93%

Instructor

(L)

Contributor

-$256.50

0.91%

Initial data & outreach

PopPunk

Contributor

-$212.94

0.76%

Instruction

[@Airicly](#)

Contributor

-$48.67

0.17%

Modding

Elisa

Contributor

-$45.63

0.16%

Community Management

Total:

-$28,169.15

(April 12th ~ October 11th, 2022)

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- $20,591 on Human Capital
- $16,904 on our Coordinape Contributors (Instruction, Art/Design, Scheduling, Recruiting, etc.)
- $3,687 on our developer team (Website)
- $16,904 on our Coordinape Contributors (Instruction, Art/Design, Scheduling, Recruiting, etc.)
- $3,687 on our developer team (Website)
- $3,877 on set up fees for Boring Security across different platforms
- Premint Creator Pass (1ETH)
- Discord Bots
- Boring Security Neon Sign
- Premint Creator Pass (1ETH)
- Discord Bots
- Boring Security Neon Sign
- $2,387 on promotional materials
- Art made by Kentasi, Bored Ape Craftsmanship Club, and Bejado
- Art made by Kentasi, Bored Ape Craftsmanship Club, and Bejado
- $340 on partnerships
- When partner NFTs are cheap, we buy them to promo (oftentimes Feld pays out of pocket for more expensive ones).
- When partner NFTs are cheap, we buy them to promo (oftentimes Feld pays out of pocket for more expensive ones).

When we did our last proposal, Apecoin was trading at $20+ - by the time we received it, it was down to less than $5, so… Boring Consulting has been keeping the party going😄:

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Category

Amount

Notes

Human Capital

$13,600

Web Development (MurAll)

Community Manager

$2,500

One month salary

Business Setup Fees

$9,208

Web Domain, Business Registration, New Employee Setup

Business Tools

$454.10

Productivity Tools, Subscriptions, Storage, etc.

Marketing

$347.31

Stickers

Total

$26,109.41

Yikes, lol.

Part of the raise will be to pay back the amount of money paid by Boring Consulting to keep the DAO going and sprinting towards all these recent milestones! Boring Security still has funds leftover, but we wanted to get more funds before paying them!

For a full breakdown of every single transaction made from Boring Security and on Boring Consulting for Boring Security, check out our Google Sheet here:

docs.google.com

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](https://docs.google.com/spreadsheets/d/1PA3u3t7lS6vF0EMKZNSnIrAIrldCVVPkgzkLBHfkMc0/edit?usp=sharing)

[BoringSec Treasury](#)

COLLAPSED SUMMARY

BORING SECURITY TREASURY Boring Security Debank: https://debank.com/profile/0x2e8e95dbeb137a24469e711079ad483d081166f7 ALL VALUES CALCULATED IN USD VALUE EQUIVALENT AT TIME OF TRANSACTION,2,022....

We also have a transparency page up on https://boringsecurity.com/transparency

Key Terms

Coordinape - This is a tool that allows for folks to coordinate and recognize their efforts made towards the DAO. We use this to vote on how 50% of the fixed burn-rate costs will be used.

Liquidity Pool - A liquidity pool in DeFi is where two or more assets are deployed into a smart contract, that allows folks to use them as liquidity, and while the Liquidity Provider earns passive income on fees generated by those transactions.

Impermanent Loss - Impermanent Loss occurs when a liquidity pool position would have been better off simply holding their assets. A prime example of this is imagine you are providing liquidity between apecoin and usdc. If the price of apecoin rises, that means the liquidity provider is selling more apecoin than they are buying. As the price continues to rise the fees generated + the price difference of what apecoin is now, means that we would have been better off holding apecoin in terms of portfolio balance. More info on impermanent loss by a fellow mutant here: https://www.youtube.com/watch?v=8XJ1MSTEuU0

Specifications

What platforms and technologies will be used, and what is their purpose?

Discord - To organize, teach, announce, and otherwise communicate with our community

Twitter - Twitter things.

Coordinape - Defined above.

Our Website - We have a Content Management System with articles and partnerships with Ledger Question, etc. to bring the best security education content in web3.

Bankless DAO Bounty Board - This will be for our vetted contributors to be able to earn $APE from the DAO coffers. We believe it will mobilize our contributors in a very measured and definable way. https://bountyboard.bankless.community/

Ledger Quest (Not yet released) - To expand our reach beyond just teaching live classes.

Uniswap - To manage our treasury Liquidity Pool positions & revenue source for the DAO

Snapshot - voting tools for the DAO to help direct treasury funds

Steps to Implement

What are the associated costs, manpower, and other resources that will be required in order to fulfill your proposal?

With the accumulated expenses from Boring Security and the out-of-pocket expenses from Feld, we can make an estimate of our monthly burn rate to keep things up and running.

Estimated Monthly Burn Rate: $10,000 - 11,000 minimum

- $5,000 on Coordinape to pay contributors

- $2,500-3,500 on WebDev and other maintenance expenses

- $2,500 to Boring Consulting for Community Manager salary

One of our biggest failures as it pertains to our mission is our critically low enrollment of BAYC/MAYC holders (estimated to be around 100 total). With our recent acquisition of our community manager, and our systemized structure, attracting BAYC/MAYC holders will again take a large role in the DAO. We believe that it reflects poorly on the entire space when the most sophisticated NFT influencers and players spread misinformation by lack of understanding of basic ethereum functionality and smart contracts. Outreach to apes will be back on the table - and we're working with Apecoin and other partners to make this happen!

We believe that our current staffing is sufficient to sustain the next phases of the mission. IF we ever wanted to monetize parts of the business (such as Discord Security reviews or Smart Contract reviews), those aspects of the business will sustain themselves, and feed back into the treasury.

The main steps to implement would be as follows:

1. Sell our Supporter Grid NFT: https://boringsecurity.murall.art is the mint site (in progress)

2. Fund the DAO multisig wallet treasury through this apecoin grant (in progress)

3. Implement Treasury strategy outlined in section 10 (Pending)

4. Implement DAO management tools (Bankless Bounty Board & Snapshot (Pending)

5. Fund security education initiatives proposed and voted on by our community that make Boring Security and Apecoin DAO and the Yuga ecosystem look good

(Pending)

For a more detailed breakdown of costs, see section 10.

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Supporter Grid artwork featuring our contributors in our satellite offices outside the swamp

Timeline

For those curious we more or less knocked the Phase 1 and Phase 2 portions of our first proposal out of the park, minus the shortcomings discussed throughout this proposal. We are shifting gears a little bit on Phase 3 as hiring multiple developers and the like would be a cost this DAO is not willing to bear, as we want to maintain a lean cost structure. Please review our previous proposal for more information: AIP-9: Boring Security - Ecosystem Fund Allocation

Next steps:

Phase 4: Q4 2022 & Q1 2023

Summary: (Boring Security) DAO-mode - Engage

Milestones:

- Get ApecoinDAO funded & treasury online through grants and Supporter NFT sales

- Deploy our DAO tooling (Bounty Board & Snapshot, etc.)

- Have engagement across our proposals and fund at least three initiatives outside the DAO (that benefit Boring Security and Apecoin holders) submitted by our Supporters.

Phase 5: Q2 2023 - Q4 2023

Summary: Partner Everywhere & Metaverse expansion.

We want security education to be ubiquitous, incentivized, engaging and high quality. In "boring" corporate web2 jobs, everyone remembers having to do lame Security Awareness training every year. Boring Security wants to have its content everywhere and even be able to reward apecoin token holders that consume it!

Milestones:

- Integrate our curriculum and learnings into a minimum of 10 major partners (Think: Ledger, other blue chips, 10ktf, other quest P2E models).

- Build out a library of engaging content that can be consumed asynchronously.

- Build out another 25-50 partnerships with other projects across the space.

- Deploy our learnings and availability across metaverses such as Otherside, Sandbox, and others where applicable when the time comes!

- Build out a "user journey" experience where people can come to our website, describe their knowledge, desires, and responsibilities, and have a customized curriculum built out for them.

Overall Cost

Over the next year, we believe that Boring Security will become the central security hub for people in the NFT, crypto, and web3 communities. We have etched out a rough outline of how we believe we will be allocating the funds, along with what we will do with the proceeds. Although our DAO structure will, in time, allow for the voting and direction of some of these funds, our initial budget has the breakdown of the requested funds as follows:

[Funds Requested from Apecoin DAO] [Funds Expected from Supporter NFT]

$420,696.9 Estimated Proceeds $170,000

~$590,696.9

Funds Requested from Apecoin DAO Breakdown (~$420,696.9):

- $380,000 for UNIv3 Deployment Strategy

- $26,109.41 to pay back Boring Consulting (Feld) for out-of-pocket expenses

- $13,987.49 Immediate Partnerships and promotion use (Ledger, etc.)

We plan to reach out to other communities and partners to generate funds from our Supporter NFT (more information on supporter (grid) NFT can be found at https://boringsecurity.murall.art). These funds will be added to UNIv3 and bring the total funds for our deployment strategy to $550,000.

Treasury Strategy:

We will be deploying a 3-pronged liquidity provision approach to our strategy that keeps us heavily aligned & exposed to $APE. We believe that liquidity across DeFi is important, and Feld is a proven DeFi expert and liquidity provider with Apecoin, having managed $10mm+ position with the ApeDAO and $500k-$2mm positions personally. Feld's current Apecoin liquidity position is one of the top all-time performers for a wide band position.

Uniswap position for mrbayc.eth (Feld) on revert.finance

A big part of this strategy is to not only allow the DAO to generate fees and provide valuable liquidity provision service to Apecoin, but it deleverages the DAO from price risk of APE & ETH respectively. Though this is subject to change, this is our initial strategy for liquidity deployment at the time of this writing:

UNIv3 Strategy - Initial Capital Deployment

UNIv3 Deployment

$250,000

$150,000

$150,000

Asset #1

APE

APE

ETH

Asset #2

ETH

USDC

USDC

Range

150 - 350 APE/ETH

$3.00 - $10 APE/USDC

$1000-3000 ETH/USDC

Fee Tier

0.3%

0.3%

0.3%

Monthly Revenue

~$12,000

~$2,000

~$4,000

Backtester link (To assess Revenue)

[revert](#)

[revert](#)

[revert](#)

A majority of the Apecoin DAO funds we are requesting will be used to deploy our UNIv3 strategy, and the monthly revenue generated by the UNIv3 Deployment will be used to cover our maintenance costs. Of the ~$18,000 monthly revenue listed above:

- $10,000 - 11,000 would be utilized for our estimated Monthly Burn Rate (broken down in Specifications)

- Half of the remaining ~$6-8,000 leftover will be re-compounded back to the UNIv3 positions to account for impermanent loss and add to the long-term sustainability of the DAO.

- The other half of the remaining funds, if any, will be spent on project initiatives such as MurAll, merch, referral and

Alumni incentives, and other collabs.

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A sneak peak at some of our upcoming drops. We plan to sell Merchandise (at a discounted price for Alumni) and use some of our extra treasury money to cover the upfront costs (and eventually make it back +some, we hope!)