

Since AIP-4 & AIP-5 were both introduced, the #1

concern fueling community discussion has been the most efficient max \$ape cap for each of the NFT staking pools. After a month of thought, I've come to the conclusion that the cap that will benefit the \$ape ecosystem the most is approximately 0.5x of what was airdropped to the community. I will explain, and encourage more discussion.

To start, this would entail 5047

for the BAYC pool, 1021

for the MAYC pool, and 428

for the BAKC pool.

This is critical as we're defining what apecoin is with this decision. Is \$ape simply an ERC-20 token that we hodl and sell for future profits? Or is this a currency that we're expected to spend within the \$ape ecosystem? Clearly it's a little bit of both. Staking incentives a healthy price floor, but considering such a large portion of the total apecoin is in the hands of BAYC/MAYC holders, I find a 1x cap or more on these stake pools essentially penalizes those of us who plan on using/spending in the ecosystem over the next several years.

Now I owe an incredible amount of gratitude to Yuga and those in the Bored Ape community. I joined the Bored Ape Yacht Club May 13th, 2021, for only \$1100 (not including gas), and with the free BAKC, MAYC, and apecoin drop, my return can best be described as a spectacular fever dream.

Now that the DAO has been established, I feel privileged to be able to express my opinion in the proper forum, instead of in a 280-character Twitter post. And I feel confident that the best path forward for the long-term growth of apecoin is to incentivize both hodling in the NFT stake pools, AND

spending large amounts of apecoin in the ecosystem and elsewhere, to help solidify apecoin as the primary culture

token of web3.

Those who participated in the airdrop should be encouraged to spend their apecoin without feeling that they will be missing out on future staking gains. Yes, there will be those who sell their apecoin, as we've seen occur already. But any short-term price drops will in my opinion be temporary as the use of apecoin helps legitimize it's place as the go-to currency of web3.

I am not very concerned about what price apecoin is trading at presently. It could go up, it could go down, that's the nature of the beast. What I care most about is the community using apecoin as much as possible, as soon as possible.

On top of that, a 0.5x cap still provides a MASSIVE amount of apecoin to be potentially staked. The BAYC pool would have a potential max total of 50,470,000 \$ape, MAYC 19,020,209 \$ape, and BAKC 4,129,656 \$ape. With apecoin trading at about \$12.50 the past few weeks, give or take, that's more than \$900 million dollars locked up. And that doesn't include the \$ape-only community pool which is being allocated 30% (I am not opposed to the percentage allocated here being higher).

Yes, the trade-off on not having a cap of 1x or higher would be less staked in these NFT pools, and in the short-term, potentially a lower price floor. But I'm looking at this from a long-term standpoint. Encouraging apecoin use, especially in this early stage, is critical to its success, and NFT holders should not be penalized by using what has been given to them.

In essence, tldr, it is healthier for those who received the airdrop to begin spending their apecoin and naturally encouraging it's use, rather than view hodling/staking as the present day usecase for apecoin. Those who use half their airdrop in the community, and half their airdrop to stake, should still receive the full cap amount in each of the NFT pools.

This is my opinion, and welcome rebuttals. I wanted to explain my thoughts and I'm curious to see what people think.

Thanks for reading,

Jacob/Gorilla