Category: Core - Ecosystem Fund Allocation

Author: The community (facilitated by @rdm_41)

ABSTRACT

This proposal presents the total ApeCoin allocation for the staking pools that would correlate with this AIP idea: https://forum.apecoin.com/t/aip-idea-staking-process-by-the-community/4109 and the three-year duration of this initial staking period.

In this idea, we will refer to the staking AIP Idea as AIP-6 & the ecosystem AIP Idea as AIP-7, please bear with us & understand that this is what we hope they will be numbered, but it subject to change & only for purposes of clear identification.

MOTIVATION

The creation of a staking process for ApeCoin as outlined in AIP-6 is designed to work with varied ApeCoin incentive pools and period lengths. AIP-7 presents the initial staking pool and staking duration.

RATIONALE

As stated in AIP-6, in order for ApeCoin to become the preferred token of web3, early NFT adopters and existing and potential ecosystem participants should be incentivized through participation in activities benefitting the APE Ecosystem.

The initial ApeCoin staking period and staking pool size proposed here is designed to incentivize participation in the ecosystem over the staking period, regardless of whether a participant stakes ApeCoin alone, or modifies that stake by committing BAYC ecosystem NFTs.

KEY TERMS

Staking Pools: The total ApeCoin pools that participants can earn from.

Staking Pool Type: The pool specifically assigned to a digital asset class; there are four in total.

Staking Period: Each period is 12 months.

Staking Pool Allocations: The total amount of ApeCoin allocated to each Staking Pool Type per period.

Total Staking Period: A total of three (3) years.

Initial Staking Period: The first 12-month period of staking.

Pool Distribution: The spread of the staking allocation assigned across the period.

Incentive Distribution Curve: The schedule of ApeCoin allocated for incentives per quarter.

SPECIFICATIONS

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)

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

BAYC Staking Pool

MAYC Staking Pool

BAKC Staking Pool

Staking Pool Allocations:

Initial Staking Period:

ApeCoin Staking Pool: 30,000,000 ApeCoin Tokens

BAYC Staking Pool: 47,105,000 ApeCoin Tokens

MAYC Staking Pool: 19,060,000 ApeCoin Tokens

BAKC Staking Pool: 3,835,000 ApeCoin Tokens

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.

The Staking Pool Allocations for Staking Periods following the Initial Staking Period will be determined by the market prices of the BAYC, MAYC, and BAKC NFTs. An average price during Q4 of the previous Staking Period will determine the ratio allocated to each of the Staking Pool types. The ApeCoin Staking Pool will remain constant at 30%

Note: The BAKC Staking pool can only be utilized if a BAKC NFT is being paired 1:1 with a BAYC or MAYC NFT.

Incentive Distribution Curve:

*Period refers to the time following the launch of the staking mechanism.

Note: The Pool Distribution is designed to incentivize early adopters for staking into the system at the earliest point.

STEPS TO IMPLEMENT

Upon deployment of the AIP-4 Staking smart contract on Ethereum, the total allocation of ApeCoin for this initiative will be sent to this smart contract.

TIMELINE

Upon completion and deployment of AIP-6

OVERALL COST

As the development of the staking contract is complete prior to AIP-5 becoming active, the deployment of the ApeCoin isn't an additional cost. This is presenting the pool to be utilized only.