

AIP Name:

[AIP-438: ApeCoin Ventures](#)

Implementation Status:

Pending

Implementation Date:

N/A

Author:

[@yatsiu](#)

Abstract Summary:

Team Formation

Animoca Ventures, an early stage venture capital arm of Animoca Brands, proposes the establishment of ApeCoin Ventures – combining Animoca Ventures historical expertise with the community's strong reach to amplify awareness and scale adoption and utilities of ApeCoin.

In a 1:1 matching structure, we propose the deployment of USD\$5 million worth of \$APE from the ApeCoin DAO, to be matched by Animoca Ventures' funding of USD\$5 million in fiat to create a combined US\$10 million fund. Funding from Animoca Ventures ensures that interests of both parties are fully aligned for joint success.

The fund management is currently provided by ASCENT Fund Services. ASCENT's role is to be a custodian and disburse funds, they don't make fund decisions. They are licensed for these types of operations and we would set up the legal entity for this, which would happen very quickly should the AIP be approved. The suggestion is to liquidate the \$APE received into cash as soon as practical so that we can match the amount in dollars.

No multi-sig wallet would be utilized because ASCENT would basically be managing fiat, so we would manage an orderly sale process. Animoca Ventures would be receiving the ApeCoin and sell the \$APE to then deposit it as fiat to ASCENT, which would be matched with \$5m of Animoca Ventures funds.

Investment Ventures

By investing together into early web3 ventures, we will drive and encourage integrated utilities and adoption for ApeCoin – leveraging our venture expertise to the community's energy, reach, as well as opportunities, to generate long-term value for ApeCoin DAO and its relevant ecosystem.

Our investment strategy targets seed and Series A stage start-ups, prioritizing those that can integrate ApeCoin into their ecosystem with the goal of increasing the value, utilities, use cases, synergies, network effect and influences of ApeCoin.

Scope of Operations

Animoca Ventures team will be responsible for the daily operations of ApeCoin Ventures, including but not limited to the following areas:

- **Investment & Acceleration:** Besides investments, ApeCoin Ventures will play a critical role in supporting Web3 ventures like the role of an accelerator such as providing funding, research, and operational support to help founders scale their projects from the early stages.
- **Research and Due Diligence:** ApeCoin Ventures has a deep understanding of blockchain technology, cryptography, security and protocols. It provides research and due diligence support to help founders navigate the complexities of various Web3 business models, programs and technologies.
- **Tokenomics & Governance:** Tokenomics advisory is one of the core pillars of Animoca Brands. It involves a great amount of industry expertise and trade secrets to excel to design token models that incentivize desired behavior, align with the goals of the project and ensure project sustainability. Governance models will also be examined for business performance uplift, risk mitigation and long-term success.
- **Partnerships & Collaborations:** ApeCoin Ventures will be able to leverage Animoca Brands network to help ventures connect to and collaborate with other projects, investors, and ecosystem partners to achieve their goals. These partnerships can provide access to new technologies, markets, communities, and expertise, helping them to scale and innovate more quickly.

Exit Strategies

Upon successful exits, 50% of the token proceeds will be sent back to ApeCoin DAO, with the plan (or an option) to convert profits back into ApeCoin. This approach aims to boost ApeCoin's utility and adoption, leveraging our expertise in venture capital alongside the vibrant energy of the community.

Animoca Brands has had a history of successful web3 investments in the space some of them can be seen at <https://www.animocabrands.com/investment-portfolio> and <https://animoca.ventures>. Notable investments include [The Sandbox](#), [Axie Infinity](#) (Sky Mavis), [Pixels](#), [Heroes of Mavia](#), [xAI](#), [TON](#), [Immutable](#), [Polygon](#), [Berachain](#), [YGG](#) and many others including of course [Yuga Labs](#).

The investment exit strategies are diverse and evolving. Besides traditional exit methods like M&A and IPOs (e.g. [Coinbase](#) went public in 2021), there are Web3 specific means like token launches and community-driven liquidity events.

In the event of a "web3 exit" (i.e. token launch) we would liquidate the proceeds/profits and use it to repurchase ApeCoin on market and return it as \$APE to the DAO. It is 50% of all token proceeds because 50% is funded by the DAO.

The fund will receive returns in Tokens which it then proposed to swap into ApeCoin and return to the Foundation as per the proposal. It doesn't receive gross revenues as it's not your classical operating business.

In other words if the project were to receive 100 tokens worth \$1 where it to sell them it would propose to use the \$100 dollars to buy \$APE and return the \$APE.

If the Foundation desires to have us monetize the 100 tokens and then return it in fiat as \$100 it could be possible but was not what was proposed.

Overall Cost:

\$5,000,000 USD, denominated in ApeCoin

Related AIPs:

Timeline Updates:

Interview Q&A:

The Facilitators conducted a follow-up interview on Jan 24, 2025, and await a response from the author.