

Proposal Name: NFT+IP Marketplace for Apes

Proposal Category: CORE: ECOSYSTEM FUND ALLOCATION

Abstract | Two or three sentences that summarize the proposal.

We believe in the following:

1. To achieve the goal of growing the ApeCoin ecosystem, a core focus should be on increasing its use as a form of payment. Even within a bear market, NFT sales/trading continues to be one of the largest crypto-native economies.
2. Projects should have their own marketplace, and the time is now for Yuga Labs & Otherside Partner NFT collections to have our own.
3. It is time for a NFT Marketplace to evolve and serve the needs of the larger NFT economy. One that expands beyond the sale of NFTs but includes additional components like Intellectual Property.

We also believe actions speak louder than words. Instead of offering to build a marketplace, we built one first. It is currently live on the temporary URL: apecoin.x.xyz with the IP marketplace going live if the proposal passes. This allows the community to try the marketplace before voting.

Motivation | A statement on why the APE Community should implement the proposal.

Our proposal provides the following value to the ApeCoin ecosystem:

Promotion of APE

- Support an APE first ecosystem with a marketplace focused on APE use. By making it easier to spend APE, the total use case for APE expands and helps achieve its goal to empower a decentralized community building at the forefront of web3.

Marketplace for the NFT economy

- NFTs are more than just buying and selling. With our marketplace, we'll provide a focal point for not only NFT owners to buy/sell NFTs but also monetize their NFT IP.

Burning of APE

- Taking inspiration from EIP-1559, the marketplace will help lower the supply of APE by burning 100% of all marketplace fees collected. If a sale is not conducted in APE, then it will be purchased on the secondary market and subsequently burned

Security

- Using the contract address for each NFT collection, we can guarantee only authentic Yuga Labs and Partner NFTs are displayed on the platform. While this wouldn't prevent fake collections from appearing on other marketplaces, it reinforces the benefit in using the Ape marketplace.

Front end redundancy

- Listings made on the Ape marketplace will also appear on the [x.xyz](https://apecoin.x.xyz) front end. This acts as insurance, should the Ape marketplace front end ever go down and expands the reach for potential buyers.

Support & Future proofing

- The Ape marketplace will have a dedicated support channel within the X Marketplace Discord. New features/developments made for X Marketplace will be available for the Ape marketplace, as aligned with the community.

Rationale | An explanation of how the proposal aligns with the APE Community's mission and guiding values.

Our proposal supports the APE community's mission and guiding values in the following ways:

- Mission: Our proposal directly helps the ApeCoin DAO mission by adding value through an increased use case and the burning of APE.
- Boldness: Our proposal is unorthodox. We already built the marketplace to show the community what they are getting. There is no guarantee of our proposal passing but we bet on the community and our belief in the value we bring.
- Equality: The marketplace is permissionless and peer-2-peer. It allows for equal participation and benefit.
- Transparency: We've approached the discussions with the community with full transparency, answering genuine questions and even changing our approach based on feedback. We are governed by a DAO ourselves and understand

this importance.

- **Collective Responsibility:** We're long time members of the BAYC community as well as APE holders ourselves. We built a marketplace for free with 100% of the marketplace fees being burned in APE because we believe it's what's best for APE as well as the broader NFT community. We will always be members of the community; which is why our proposal is focused on adding value.
- **Persistence:** We proactively engaged and listened to the community when our first pre-proposal idea was posted in April. It was knocked back. So we regrouped and returned with a revised proposal and more comprehensive marketplace.

Key Terms (optional) | Definitions of any terms within the proposal that are unique to the proposal, new to the APE Community, and/or industry-specific.

N/A

Specifications | A detailed breakdown of the platforms and technologies that will be used.

The Ape marketplace will support BAYC, MAYC, BAKC, BACC, Otherdeeds, CryptoPunks, Meebits, Nouns, Cryptoadz, World of Women, World of Women Galaxy and CoolCats.

- Any new collections from Yuga Labs or new official partners to the Otherside Metaverse will be automatically added.
- Any additional collections added to the marketplace will be by community decision.

Until the community aligns on a final domain name for the Ape marketplace, it will be temporarily hosted on apecoin.x.xyz.

Marketplace fee will be 1%.

100% of this fee will be burned in APE. If the sale was not conducted in APE, then it will be bought on the open market and subsequently burned.

APE burn will be updated on the marketplace front page and communicated with supporting transaction detail. Frequency of APE burn is TBD based on gas costs.

IP marketplace and dedicated support channel will go live if proposal passes.

The Ape marketplace will accept the following cryptocurrencies for listings: APE, ETH, WETH, USDC and DAI.

Steps to Implement | The steps to implement the proposal, including associated costs, manpower, and other resources for each step where applicable.

The NFT marketplace is currently live and temporarily being hosted on apecoin.x.xyz

There are no other steps to implement except for making live the IP marketplace, dedicated support channel and listing rewards claim if this proposal passes

Timeline | Relevant timing details, including but not limited to start date, milestones, and completion dates.

The NFT portion of the marketplace, with the APE burn mechanism and 1% marketplace fee, is already live. If the proposal passes, the IP marketplace and dedicated support channel will be live upon passing.

The final website URL will be dependent on the length of time for the community to align

The start of the listing rewards will be dependent on the length of time for the ApeCoin DAO to make the listing rewards payment.

Overall Cost | The total cost to implement the proposal.

We are asking from the ApeCoin DAO the following:

- Monthly fee to X Marketplace of 12,500 APE for a 6 month term, renewable by a later vote.
- 1 time payment of 500,000 APE for use as Listing Rewards during the first 4 weeks.
- After 4 weeks, any unused APE from the Listing Reward allocation will be returned to the ApeCoin DAO.
- Regular support, such as Twitter retweets/engagement, in helping build awareness for the Ape marketplace.

The Listing Rewards will work as follows:

- For a listing to be eligible to earn rewards it must be listed within + or - 25% of the OpenSea floor price.

- Floor price is checked for eligibility and rewards are accrued on an hourly basis.
- 744.05 APE will be available for Listing Rewards every hour: $500,000 \text{ APE} / 4 \text{ weeks} / 7 \text{ days} / 24 \text{ hours} = 744.05$.
- A base amount of APE per listing will be calculated hourly based on the number of eligible listings with a 1X multiplier applied for Nouns, CrypToadz, WoW, WoW Galaxy, CoolCat and CryptoPunks listings. A 2x multiplier for Meebits and BAKC. A 5x multiplier for MAYC and a 10x multiplier for BAYC and Otherdeeds. BACC is excluded due to complications with ERC1155.
- For example if there was only 1 listing for a Cool Cat and 1 listing for a BAYC in a given hour, the reward accrued would be 67.64 APE for the Cool Cat listing and 676.41 APE for the BAYC listing.
- The rewards will be claimable on a daily basis

To ensure listing rewards can begin ASAP, if this proposal passes, we ask for the listing reward payment to be made within 24 hours or less.