



## **Proposal Name:** Make SMB Gen2 royalty-free and immutable

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**Governance Reviewer:** Nano

### **Voting Rules**

**Category:** General (Requires Treasury Spending)

**Duration:** 7 days

**Quorum:** 7.5% (= 372/4958 non-frozen SMB Gen2 NFTs)

**Passing vote:** 66%

### **Summary**

Change SMB Gen2 royalties from 5% to 0%, then make SMB Gen2 NFTs immutable

### **Proposal Details**

The SMB gen2 collection has finally been liberated now that MonkeDAO fully owns the SMB IP. As long as any organization, including MonkeDAO, has power over monkes they will never be truly free.

If royalties are set to 0% and the NFTs are made immutable, then SMB Gen2s become a true Web3 asset that is appealing to trade, collect, and hodl. Removing these tethers would add to the already iconic and OG status of SMB Gen2s.

With these changes, SMB Gen3 would become the main source of revenue for the DAO. This new collection could take risks, try new things, and keep up-to-date with the fast-paced NFT market. This would clearly differentiate Gen2 and Gen3.

### **Goals / Evaluation Metrics**

- Make SMB Gen2 free from all ownership except the NFT holder
- Establish SMB Gen2 as the premiere Web3 asset on Solana and beyond
- Differentiate the goals of the SMB Gen2 and SMB Gen3 collections
  - Make Gen3 the business collection and main focus of the DAO structure for revenue
  - Make Gen2 the social/culture aspect of the DAO (owners build value)

### **Benefits to DAO & Individual Members**

- Cheaper to buy and sell SMB Gen2s with no need to OTC
- Focus on the owners of the NFTs creating value for Gen2

- Less pressure on the DAO structure, execs + teams
- More appealing to people that don't use discord, just buy and hold/trade
- Immutability means there is never any possibility of NFT metadata, traits, or art being changed in any way (long term collector benefits)

### **Risks & Concerns**

- The DAO spent \$2M to acquire the SMB IP, with most of the value coming from the SMB Gen2 collection. So far the DAO has only earned \$122k (6%) of that amount back from SMB Gen2-related royalties.
- This could remove a significant, and long term revenue source for the DAO
- This could remove incentives for the DAO to provide future value to this collection
- Immutability will prevent any future technical (e.g. NFT standards) updates

### **Tentative Timeline/Roadmap**

- To be carried out ASAP upon successful passing of this proposal

### **Treasury Spending**

While technically there is no spend required to implement this proposal, it could significantly impact future revenue to the DAO treasury