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Title	PDP003: PRIME 🔄 API3 Token Swap
Short Pitch What is the objective of this proposal?	The objective of this token swap between PrimeDAO and API3DAO is to: (1) Decentralize the network governance of both organizations, reinforcing its resilience to forking (2) Create skin-in-the-game pathways for collaboration (3) Create a precedent for additional DAO2DAO interactions in the future, as well as establish the need for the creation of effective DAO2DAO interfaces

Author	Name	This proposal is a joint initiative by [Curve Labs](#) and [ChainAPI](#) (previously [Honeycomb](#))
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Proposal Text	
Proposal Text	In a joint effort to further decentralize our respective governance bodies, align our long-term mutual interests, and drive experimentation and collaboration in the field of DAO to DAO relations (D2D), we propose the following: 1a. 2% of API3's tokens — or 2 million tokens of an expected maximum token cap of 100 million — is requested from the API3DAO. To grant PrimeDAO governing shares in the API3 DAO, these 2 million API3 tokens will be locked in the API3 insurance staking contract, and will be unlocked and withdrawable to the PrimeDAO treasury or a designated delegate — such as the Prime Development Foundation — in a block-by-block fashion according to a 2 year linear vesting timeline, which includes a 6-month cliff.

| | 1b. It is understood that these API3 tokens, by being locked, will generate Reputation (REP) in API3DAO, but until the locking scheme is completed, or if it should never be completed, PrimeDAO will receive 2% of the voting rights available at API3DAO's instantiation.

2. In exchange, PrimeDAO offers 2% of PRIME — or 1.8m PRIME tokens of an expected maximum of 90m PRIME tokens — to the API3DAO. These tokens will be transferred to the API3DAO's mainnet DAO treasury or a designated delegate. Additionally, 2% of PrimeDAO's Reputation on mainnet initiation will be assigned to the API3DAO. PrimeDAO's Incubation-stage xDAI placeholder token PINC will be transferred to Pat as a placeholder to signify the eventual transfer of PRIME to the API3DAO on the Ethereum mainnet.

3. An honest effort will be made by both parties to collaborate to minimize the friction of on-chain D2D, through the creation of those relevant schemes, interfaces, and other infrastructure as required that streamline the process of proposing, voting, and co-governing each other. Promotional efforts will also be made and reinforced through content production and public recognition of the importance of D2D.

4. This exchange of tokens and REP is contingent upon:

A. Successful initial DEX offerings of both DAOs. Each DAO is expected to, on their own, muster the necessary resources through a decentralized sale of tokens to adequately fund their respective development roadmaps.

B. The ratification of this token swap proposal by both DAOs, of which this proposal shall count for an agreement on the behalf of the PrimeDAO. This swap offer from the PrimeDAO to the API3DAO expires if, within two weeks of its mainnet launch, the API3DAO fails to pass a corresponding proposal within its governance body. |
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Breakdown of Requested Tokens & People Involved
PRIME (or PINC): 1.8m REP: 2% of the DAO's REP at Growth phase (mainnet) instantiation

How is progress reported? What communications channels will be used and how often?	Updates regarding the submission and ratification of this proposal and the transfer of tokens and/or Reputation from PrimeDAO to API3DAO shall be posted to the PrimeDAO Discord, Telegram, and DAOtalk channels. This proposal will be submitted to DAOtalk first for public comment prior to submission to the Incubation-stage PrimeDAO.

References & Further Reading	D2D Fractalization Handbook

Examples and external references can be of great help to understand and sympathize with a proposal	[DAO2DAO Reputation Sharing Models](#)

Future iterations (What can we do beyond this?)	Creation of API3 governance scheme for d-oracles for PrimeDAO.
	Creation of sophisticated D2D proposing, voting, redeeming interface.
	Content creation and promotion of D2D by Prime and API3.
	Prime project that utilizes API3's d-oracles.