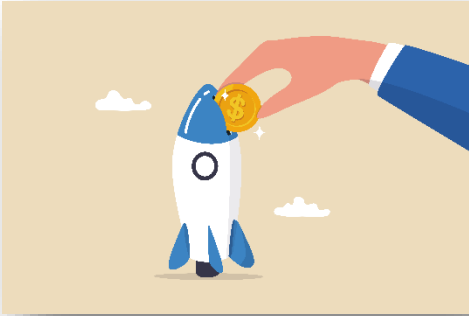


## The ABC and VIP Treasury – T Minus 2 Years and Counting



What is the total investment outlay for the [ABC](#) and the [VIP Treasury and Land Management](#)? This figure can be broken down as follows:

- Contribution to the [ABC Land Fund](#) (**\$7 million**)
- Loss from ABC Operations before breakeven (**\$1.57 million**)
- Loss from VIP Treasury Operations before breakeven (**\$3.26 million**)
- Startup cost of the ABC (**\$3 million**)
- Startup cost of the VIP Treasury and Land Management (**\$6.33 million**)

The first 2 costs are computed in [ABC – The First 20 Years](#). The final two costs are computed in this module, and the loss from VIP Treasury operations is inferred from these known costs and spreadsheet operations in ABC – The First 20 Years.

Bidder arbitrage, a late discovery, should cut the two costs to breakeven (\$1.57 million and \$3.26 million) in half, or better.

The VIP Treasury/VIP Land Management (VLM) is a not-for-profit, so promising shares to employees is not an option. Instead, salaries are paid with a base salary plus [salary equity](#). The base salary for everyone is assumed to be \$36,000 per year with an additional \$1,000/month for other employment expenses. Salary equity is assumed for the simulations in this text.

These numbers are not meant to substitute for the [business plan](#), but provide a reasonable measure of cost for the two-year startup period. Unlike the ABC, which rapidly amps operations with purchasing agents once the live action begins, VIP Treasury and Land Management employment is relatively stable during live action. Monthly startup costs can be used to estimate monthly cost to breakeven following the first purchase of land into the [ABC Commons Trust](#).

Assume two years of startup time. Months begin at -23 and go through month 0.

VIP Treasury and Land Management 2 Years Before the First Property is Purchased into the Commons Trust												
Legal	Land/LG/VIP	Hardware	Security	Bio ID	Merchant. Install	Admin	Training	Notes	Employees	Base Cost		
-23	4	4	4	2	2	1	1	4	2	Create business plan	24	\$72,000
-22	4	4	4	2	2	1	1	4	2		24	\$72,000
-21	6	6	6	3	3	1	1	4	2		32	\$96,000
-20	8	8	8	4	3	1	1	4	2	Analysis	39	\$117,000
-19	10	16	10	5	4	2	1	5	2	Begin coding/integration	55	\$165,000
-18	10	10	10	5	4	2	1	5	3	Core architecture	50	\$150,000
-17	10	10	10	5	5	2	1	5	3		51	\$153,000
-16	10	10	10	5	5	2	1	5	3		51	\$153,000
-15	10	10	10	5	5	2	1	5	3		51	\$153,000
-14	10	10	10	5	5	2	1	5	3		51	\$153,000
-13	12	12	12	5	5	2	1	5	3		57	\$171,000
-12	12	14	14	6	6	2	1	5	3	Next Layer	63	\$189,000
-11	12	16	16	6	6	2	1	5	4		68	\$204,000
-10	12	16	16	6	6	2	1	5	4		68	\$204,000
-9	12	16	16	6	6	2	2	5	4	App Layer	69	\$207,000
-8	12	20	20	7	6	2	2	5	4		78	\$234,000
-7	11	24	24	7	6	3	2	6	4	ABC reports starting co	87	\$261,000
-6	15	36	24	7	7	8	2	8	4		111	\$333,000
-5	15	36	24	7	7	10	2	10	4		115	\$345,000
-4	15	36	24	7	7	10	2	10	4		115	\$345,000
-3	15	36	24	7	7	10	8	10	4	Security tests	121	\$363,000
-2	15	36	24	7	7	10	8	12	4	First merchant installed	123	\$369,000
-1	15	38	26	7	7	10	8	14	4	Various insatlations	129	\$387,000
0	15	38	28	8	8	30	10	16	4	Commons land real tes	157	\$471,000
Monthly labor cost	\$471,000						\$40,000					
Monthly rent/util	\$40,000						\$40,000		Salary Equity	\$15,700,000		
Monthly network	\$40,000									Initial Cost	\$5,367,000	
							Total Monthly	\$631,000		Initial Cost+rent,misc	\$6,327,000	

During the startup period, [Phase I](#) and [Phase II](#) charters/leases are drawn up and tested against laws and regulations in the host country, as well as jurisdictions of immediate interest. Other legal tasks include [procedures for changing charters](#), and a prospectus for the currency. A legal team maxing out at 15 is planned.

Implementing the land system ([LGATS](#)) and [VIP biometric currency](#) and [environment](#) are massive software undertakings. However, existing systems, such as Google Maps and the Ethereum platform might provide the core.

Beginning with 4 each of land and currency architects and systems analysts, teams grow to a total of 64 by launch date.

Hardware, security, and biometric ID, overlap with software development as well as merchant install. Development of the business plan is synchronous with the analysis and could involve extensive [community and government input](#).

Training in overall system design and the economics of [AFFEERCE](#) and [land-based capitalism](#) is critical to success. The department has 4 trainers, with 2 starting on day one.

The total startup cost for Treasury/Land Management labor, rent, and other minor costs is \$6.327 million. However, \$15.7 million in salary equity is also issued. The

ongoing monthly cost of maintaining the VIP Treasury and [VLM](#) is \$631,000 through breakeven.

Based on the monthly spreadsheet, this occurs in month 6. Existing staffing size should be adequate through month 6, although responsibilities will change. Employees can move back into their hired role once department growth resumes in month 7.

The total number of properties purchased into the [commons trust](#) by the end of month 7 and auctioned off in LGATS (all should be sales mode properties) is  $8 \times 161 = 1,288$ . This number can be easily attained in 2 or 3 counties.

[Biometric IDs](#) and photo ID secured VIP\$ e-wallets should be integrated with the chosen counties' Department of Motor Vehicles. Merchant integration begins about 3 months before the first property is purchased. The pace of VIP Treasury and VLM software will slow, but hardly stop, after initial implementation.

Software and security are most critical to a successful business plan. After month 7, margins will grow rapidly and are used primarily for enhanced merchant integration, public [VIP readers](#), system upgrades, and enhanced account security along with hardware and data redundancy.

What is the total investor cost for the VIP Treasury and Land Management? This would be the \$6.33 million startup cost + \$3.26 million additional cost for the first 6 months.

**Investor cost for VIP Treasury and Land Management startup = \$9.59 million.**

What about the ABC? All preliminary work of the ABC is in preparation of the legal agreement where jurisdictions take [30% of the ground rent in lieu of property taxes](#). This is done in conjunction with the VIP Treasury and Land Management.

If the legal arm of the VIP Treasury discovers regulatory obstacles at state and county levels, it is up to ABC lobbyists to try and get those obstacles repealed. The ABC also works with national governments to acquire protected monopoly status and oversight. The 10 negotiators work closely with the legal team during the startup.

The ABC, 2 Years Before the First Property is Purchased into the Commons Trust								
	Legal	Purchasing	Negotiating/Loan Admin	Admin	Training		Total Employees	
-23	2	0	4	6	2		14	\$42,000
-22	2	0	4	6	2		14	\$42,000
-21	3	0	6	6	2		17	\$51,000
-20	3	0	8	6	2		19	\$57,000
-19	3	0	10	6	2		21	\$63,000
-18	3	0	10	6	1		20	\$60,000
-17	3	0	10	6	1		20	\$60,000
-16	3	0	10	6	1		20	\$60,000
-15	3	0	10	6	1		20	\$60,000
-14	3	0	10	6	2		21	\$63,000
-13	3	0	10	6	2		21	\$63,000
-12	3	0	10	6	2		21	\$63,000
-11	3	0	10	6	2		21	\$63,000
-10	3	0	10	6	3		22	\$66,000
-9	3	2	10	6	3		24	\$72,000
-8	3	2	10	6	3		24	\$72,000
-7	3	2	10	6	3	ABC reports sta	24	\$72,000
-6	3	4	10	8	3		28	\$84,000
-5	3	8	10	8	3		32	\$96,000
-4	3	8	10	8	4	Begin waiting li	33	\$99,000
-3	3	8	10	8	4		33	\$99,000
-2	3	10	10	8	4	Find 10 units	35	\$105,000
-1	4	10	10	8	4		36	\$108,000
0	6	30	10	8	4	Schedule closin	58	\$174,000
							Initial Cost	\$1,794,000
	Monthly Labor cost	\$174,000			Salary Equity Issued	\$1,740,000		
	Rent/Utilities/Misc	\$50,000				Initial Cost plus Rent	\$2,994,000	
	Total Monthly	\$224,000						

Training in AFFEERCE economics, the [techniques of ram and jam](#), and real estate closings in the partner counties is an important part of the startup with 4 trainers.

Rapid increase in [purchasing agents](#) after launch prevents use of these figures to estimate cost after launch, which is computed in [ABC – The First 20 Years](#).

**The [investor](#) cost for ABC startup is \$3 million.**

Ignoring present value, the **total investment** is \$7 million (Land Fund) + \$1.57 million (ABC operating losses) + \$3.26 million (VIP operating losses) + \$6.33 million (VIP startup) + \$3 million (ABC startup) = **\$21.2 million, rounded up to \$30 million.**