

Merchants and the VIP\$



You're at the beach with no wallet and no smartphone. You head to the bar that accepts the [VIP\\$](#) and purchase a daiquiri and a shish-kabob, [simply by showing your palm](#) to the [VIP reader](#) and saying "Yes" or hitting the yes button to verify the purchase.

The merchant is smiling. The fee to accept the VIP\$ is just under 1%, while other merchants pay 2% to 3% on credit card fees. The other merchants have less business. Who wants to carry a credit card into the ocean or leave their wallet or smart phone vulnerable on a beach towel?

That 1% fee isn't really a fee. It is just the maximum guaranteed charge to [exchange VIP\\$ into U.S. dollars](#). But why do the exchange at all? The more merchants that accept the VIP\$, the less reason to exchange. If the merchant's suppliers accept the VIP\$, there is no reason to exchange at all.

It is identical to cash without the problems of theft, pilferage, storage, accounting, and depositing. But it is better than cash because the VIP\$ earns a tiny [dividend](#), whenever anyone in the world pays [ground rent](#). Of course, the U.S. dollar pays no dividend.

For merchants who do the exchange, dollar accounts and electronic funds transfer are supported at the [VIP Treasury](#) at no charge.

The merchant has a free and powerful support network to aid in the adoption of this new currency. The VIP Treasury receives a rent distribution in [Phase I](#) sufficient to provide merchant support services. These services are primarily directed at merchants in counties that have signed the [property tax agreement](#).

This support includes subsidies for purchasing or an outright purchase of VIP reader hardware and the installation of the hardware, and it always includes secure internet connection to the VIP at no charge.

The ABC also has a powerful incentive to increase the size of the merchant network. Contained in their benefit charter is a provision to purchase and destroy

VIP\$ should the market price ever [drop to exactly 99%](#) of [peg](#). This costly option can be avoided if enough merchants accept the VIP\$.

A marketing campaign by the ABC might do the trick. The ABC could offer a 1/100 of a percent monthly bonus during Year 1 (the time of greatest vulnerability) for any merchant living in the county who is holding VIP\$ at the end of the month. This would double an expected 0.1% dividend to over 0.2%.

Regardless of any marketing campaign, merchants will prefer the VIP\$ over credit cards, if for no other reason than the low 1% fee. The marketing program is designed to encourage merchants to hold their VIP\$ and save the fee. It is an incentive for their suppliers to also accept the VIP\$, making the marketing campaign a true win-win for both the ABC and its merchants.

Beside the wallet-free, phone-free convenience, why would consumers prefer the VIP\$? The reason is as simple as a 0.95% discount on any merchandise they purchase.

If everything is going according to plan, the consumer purchases the VIP\$ at market for 99.05% [peg](#). The seller is the ABC, provided they can find enough properties to purchase into the [commons trust](#). The consumer not only gets \$100.95 for every \$100 they intend to spend, but is paid a dividend on their VIP\$ until it is spent.

A free service performed for counties that have signed the agreement is a VIP-supported [consumption tax to replace the sales tax](#) for VIP consumers. This is also a service for the merchants who no longer need to collect, account, and remit sales tax for their VIP\$ customers.

This includes customers who use an e-wallet for VIP\$ rather than a biometric identity, so a merchant in these selected counties can become a 100% VIP\$ shop and eliminate the hassle of sales tax completely.

Biometric identity is fraud-proof and e-wallets carry a photo of the owner that will display on the VIP reader. The [VIP can generate any standard accounting report](#) needed by the merchant, as well as retrieve any VIP\$ transaction by customer, product, or date and time. The VIP will offer all merchant services available at credit card companies for no charge.