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INTELLECTUAL PROPERTY REGISTRATION

Author: Friedrich Wilhelm Siegel

Email: elpas3000@gmail.com

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Register I: The European Masterplan ELPAS.

Register II: Creation and Regulation of the Cryptocurrency "ELPAS".

Register III: The "Technological Coefficient" application in the "Social Market Economy with cryptocurrency".

Register I: The European Masterplan ELPAS

Non-conventional Masterplan Systems and Programs:

A– Modern and alternative economic and financial system with cryptocurrency called: "The Social Market Economy with Dual Sector Electronic Financial System and Cryptographic Quantitative Easing, SME/DSEF-CQE system".

Characteristics and Advantages:

A1- Operates with digital currency (cryptocurrency) with Blockchain technology.

A2- Operates with innovative financial instruments, called "sectoral crypto-bonds" that not allow financing of social spending with public indebtedness and/or any tax-reform.

A3- Using cryptocurrency (ELPAS) as a basis to build a new Pension Funds system, regardless of the future situation of the labor market.

A4- Fosters monetary, financial and economic stability and security.

A5- Strengthens development and social inclusion.

A6- Creates thousands of new sustainable jobs.

A7- Fosters the competitiveness of the public and private sectors.

A8- Makes unnecessary protectionist tariffs.

A9- Creates the same growth opportunities for everyone.

A10- Guarantees healthy development and economic growth.

A11- Finances public social spending independently of economic situation (recession, stagn.)

A12- Eliminates public indebtedness, being replaced by new financial instruments (crypto-Bonds), managed by Banking Trust through Debit-cards, i-phones and EFT-checks.

A13- Creates a new legal base for the European immigration politic.

A14- Proposes high techno-political standards to consider international acceptance.

B. Program for Transformation of informal to formal economy.

Characteristics and Advantages:

B1- Is based on banking of informal traders, becoming "Taxpayers" with automatic insertion in the Social Security system (medical attention, food basket, educational programs, etc.).

B2- Promotes the reduction until the elimination of world poverty.

B3- Encourages the reduction of common criminals and drug consumption.

B4- Increases Civil, Commercial and State Security.

C. Program for MSME´s Financing with "cryptographic digital credits".

Characteristics and Advantages:

C1 - Offers new financing opportunities for MSME´s (Micro, - Small and Medium Enterprises) with systematic controls, easy access and low financial risk!

C2 - Reduces cost (interest) of the loan.

C3 - Facilitates the professional works at home through the "Workstation ELPAS" (see PP presentation).

C4 - Offers many new and sustainable jobs.

C5 - Reduces unemployment and poverty through ELPAS Educational Programs.

D. ELPAS LEGAL FRAMEWORK (see project presentation)

Consists in Bills for the construction of a modern, safe and reliable Monetary, Financial and Economic system into a State of Law, including Bills for issuance, control and regulation of cryptocurrencies and cryptographic financial instruments!

Register II: Creation and Regulation of European cryptocurrency

1- Name of the new cryptocurrency: ELPAS-coin or Crypto-ELPAS or SIEGEL-coin.

2- Back-up of the ´ELPAS´ cryptocurrency:

a- Security and Control of issuance, monitoring and regulation.
b- Tax revenues, and
c- Specific legal framework.

3- Competition: For now the Crypto-ELPAS or ELPAS-coin or Siegel-coin is without competition in its presentation. It is the first cryptographic currency with a regulatory legal framework that eliminates the roots of fiscal and budgetary deficit and also transforms the public indebtedness system into a **"Social investment system**", financed through abundant but controlled digital cryptographic currency, with effective inflation control and absolute transparency.

4- Marketing and commercialization: ELPAS offers governments and public administration a package of joint measures that promote SECURITY and STABILITY in the country's monetary and financial system.

5- ELPAS Products and Services: ELPAS Debit Smart Card with electronic purse, i-phones with T-payment system and Electronic Fund Transfer Check (EFT-Check) to mobilize cryptocurrencies with absolute security and reliability.

6- Monetary Parity: The crypto-currency ELPAS begins with parity 1 to 1 with the safest and most stable global currencies, namely: Dollar, Euro, Yen, Sterling Lira, and Swiss Franc.

7- How does a country reach parity 1 to 1 with cryptocurrencies, among others: crypto-SIEGEL or crypto-ELPAS/ELPAS-coin?
Answer: Improve and improve SECURITY in the monetary-financial system, investing fiscal resources in advanced safe and reliable banking-financial technologies.

8- What should countries (nations) do to enter into the crypto-coin market?
Answer: Improve and optimize the SECURITY and RELIABILITY of your monetary, banking and financial system, applying for this purpose the technologies proposed by the advanced Information, Communication and Knowledge Technologies, TICC's.

9- To evaluate the security and monetary reliability in the country, the ELPAS Author, Friedrich W Siegel, proposes a **"Technological Coefficient" (Tec-Coef)** that measures Security and Reliability in the global monetary-financial system.

Examples:

- USA, Japan, Germany, France: Initial Technological Coefficient 0.9, meaning that the Security and Reliability of the local monetary-financial system is 90%.
Optimal factor: 1.0 = 100%.

- Dominican Republic: Coefficient 0.74 (74%) which means that the country must invest priority in SECURITY and CONTROLS to improve the "Financial Risk" range.

- Haiti and determined Asian and African countries: 0.40 to 0.49 = 40 to 49%, which means that these countries must invest capital to improve and optimize their banking, financial and economic security and reliability system.

10. Stimulus and benefits for countries to improve its "Technological Coefficient":

10.1. Obtain a better "Country Risk" rating, which leading to better loan interest rates
(Note: normal 6%, with ELPAS-coin 3.0%)

10.2. Improve country´s political image, which allows and stimulates foreign investment.

10.3. Improve Voters and Contributors trust in State policies.

10.4. Improve civil and STATE SECURITY, and other benefits to mention in its due moment.

11. Summary:

The best attraction for European governments to adopt a financial and economic system such as ELPAS is written in the promises and guarantees of European democratic Constitutions, which highlights the rights for decent life, the right to work, to free education and health, among other promises, but (still) there is no monetary and financial system capable to finance all these promises and guarantees.

The financial system ELPAS-CQE (CQE= Cryptographic Quantitative Easing) will be the first monetary and financial systems capable to finance these promises and constitutional guarantees with abundant but controlled and transparent electronic money.

All Rulers, when assuming responsibility to direct the country policies pronounce the oath to comply with and enforce the Rights and Guarantees of her Constitution. With the ELPAS system this oath, and for the first time will be fulfilled!

Register III: The application of a "Technological Coefficient" (Tec-Coef) in "The Social Market Economy with cryptocurrency.

I. Definition of "Tec-Coef"

The "Tec-Coef" is a new factor that affects the evaluation of "Country Risk". It defines the impact of Information, Communication and Knowledge Technologies (ICK Technologies) on the nation social, economic and political development. The maximum factor that a country can obtain is 1.00 (100%) which means that, the economy is in optimal technological conditions to prevent, and to solve existing social and financial crises besides adopting in real time monetary and financial changes coming from global economics (for example: China, U.S.A, Germany,….).

Tec-Coef = 1.0 (100%) means that the country meets all conditions and technological requirements to adopt at short time monetary, financial and economic changes provided from global economy reforms, such as the "Latin American Economy of Social Participation" based on the "Dual Sectoral Electronic Financial System with Cryptographic Quantitative Easing, DSEF-CQE system", which is proposed by the Author to prevent and resolve cyclical financial and economic crises.

Tec-Coef ≤ 0.5 means that a government (or country) does not meet the technological conditions to resolve satisfactorily social, economic and financial challenges, and must invest primarily in Technology (ICT´s) to maintain or increase its competitiveness in the national and international market.

II. Premises:

Premise A: ICT's + Change of economic paradigms lead to political and economic stability.

Premise B: Paradigms change economically means: Transform Debt in Social Investment, converting Taxes in public Savings for repayment of public debts and improve social programs.

Premise C: Public debt is limited by law meanwhile social investment is only limited by installed manpower capacity and educational limits.

Premise D: The transformation of public DEBT into social INVESTMENT allows neutralizing of cyclical financial crisis.

III. <u>Mathematical base</u>.

The alternative and complementary economic model ELPAS is based on the mathematical theories of John Maynard Keynes, and is based on the creation of wealth under the growth of Investment. In Europe and the United States this economic philosophy was initiated after the II. world war to finance the European social and economic recovery through public indebtedness. The simplified Keynes´ economic mathematics applied in this alternative model is based on the following equations:

(1) Income = Consumption + Investment + Gov-Expenditure + Exports - Imports

$$Y = C + I + G + X - M$$

Due to recent and prolonged cyclical crises governments saw the need to change and update (modernize) this Keynesian mathematical formula, progressively using the most recent IC-technologies to save production costs and at the same time create new opportunities to stimulate investment, creating new jobs, in addition to improve the people life quality.

In this sense and to strengthen these tendencies, the ELPAS Author is proposing to regional and international governments to include a new factor in the economic mathematical formula of Keynes (still in force) denominated as: **Technological Coefficient or Tec-Coef.**

This new evaluation factor (Tec-Coef) is designed to evaluate and quantify the influence of new IC- Technologies (Information and Communication Technologies) in the global economy of the XXI. Century.

IV. The influence of the Technological Coefficient in the alternative economic model.

The insertion of the Tec-Coef in the Keynes mathematical formula gives the following result:

(2) Income = Tec-Coef x [Consumption + Investment +Gov-Expenditure + Exportation - Import]

V. The impact of IC-Technology in the domestic economy:

Factors / Availability of ICT´s / Economic Impact / Technological Coefficient

1- Internet and Electricity 30%…… 0.3
2- e-Banking 20%..... 0.2
3- Use financial cards 20%..... 0.2

4- Electronic commerce 10%,……0.1
5- Interactive Democracy 10%..... 0.1
6- Investment in ICKT´s 10%.....0.1

Total 100%.……1.0

Note: The Author of ELPAS considers that factors 1 to 6 are necessary and indispensable to guarantee economic and financial development, according to society legal requests. Therefore, a thorough research and evaluation study on availability and impact of these 6 factors is needed in each country where citizens need access to IC-Technologies to participate in the Nation development.

VI. Technological Coefficient evaluation in emerging countries (Ref: Turkey):

N° / ICT Availability / ICT Availability / Tec-Coefficient (Tec-Coef)

1- Internet and Electricity 0.3, 40% (0.4)…….. 0.12
2- e-Banking 0.2, 100% (1.0)…….. 0.20
3- Use Cards 0.2, 40% (0.4)…….... 0.08
4- Electronic commerce 0.1, 60% (0.6)……. 0.06
5- Interactive Democracy 24/7, 0.1, 0.00%.....0.00
6- Investment in TICC's 0.1, 100% (1.0)…… 0.10

Total Tec-Coef:……..0.56

Conclusion case "Turkey"

The Turkish government could increase its revenues to 100% of the budgeted value if increase the ICT´s availability by forty-four percent (44%), otherwise government should increase the public debt proportionally to be able to finance 100% of budgeted public expenditure.

VII. Evaluation of the Technological Coefficient case "Greece"

No. Technological Availability - ICKT's Impact - Tec Availability - Tecnol. Coefficient

1- Internet and Electricity 0.3 40% (0.4)……. 0.12
2- e-Banking 0.2, 50% (0.5)…….. 0.10
3- Use Cards 0.2 30% (0.3)…….. 0.09
4- Electronic commerce 0.1 20% (0.2)……... 0.02
5- Interactive Democracy 24/7, 0.1 0 (0.0)……..0.00
6- Investments in TICC's 0.1, 100% (1.0)…….. 0.10

Total Tec-Coef.……..0.43

Conclusion case "Greece":

The Haitian Government could increase its revenues to 100% of the budgeted value if it increases the availability of the TICC's by fifty-seven percent (57%), otherwise the Government should increase the debt proportionally to be able to finance the Public spending at 100%.

VIII. Evaluation of the 'Political Reliability' Coefficient of the Greek Republic:

N ° / Influential sector / Social impact / Technologic Availability / Tec. Coefficient (Tec-Coef)

1- Government Policy 0.2, 20% (0.2)…….. 0.04
2- Commerce, Banks 0.2, 20% (0.2)…… 0.04
3- Catholic-Christian religion 0.1, 20% (0.2)…….. 0.02
4- Judicial 0.1, 10% (0.1)…….0.01
5- University 0.1, 10% (0.2)……...0.02
6- Electoral society and taxpayers 0.3, 80% (0.80)……0.24

Total Coef-Polit-Confidence.....0.37

"Political" Coefficient = Efficiency, Effectiveness and Transparency of State Policies.

Conclusion case "Greek Republic":

The Greek state could increase its efficiency, effectiveness and transparency in its policies to an ideal value of 100% if the investment in TICC's increases by sixty-three percent (63%), otherwise the State is not able to comply with their constitutional duties and guarantees regarding the right to a dignified life, the right to free education and health, and to invest more resources in correcting the existing structural failures in the public financial system.

IX. Application of the Technological Coefficient (Coef-Tec) in:

a- **Economy**: Tec-Coef/eco
b- **Health:** Tec-Coef/health
c- **Education**: Tec-Coef/edu

Niche: A- Economy: Public and private companies.
B- Health: Hospitals, Clinics, Insurance Companies.
C- Education: Basic Schools, Colleges, Universities

Definition of "Tec-Coef" for Health and Education.

It measures the capacity to resolve technical problems in the Health and Education field through Information, Communication and Knowledge Technologies (ICK-T´s). The Technological Coefficient oscillates among 0.0 to 100% (0.0 to 1.0).

a- Tec-Coef health, edu = 0.0 means: There is not enough technology (0%) in a public health or education institution to meet demands and needs in those area.

b- Tec-Coef health, edu = 0.5 means: There is a 50% of necessary technology available to successfully solve health problems in a given institution.

c- Tec-Coef health, edu = 1.0 means: There is a 100% of necessary technology available (= AAA) to successfully face all kinds of problems that could exist in public health and education institutions.

Challenges and stimulus:

Challenge: Greater Coef-Tec health (maximum 1.0 = 100%) can leads to lower Insurance Premium (discounts), as well as a better image and prestige of an assessed institution.

Stimulus: Obtain from banks or the government financial support under preferential conditions (low interest), obtain better premiums from insurance companies, among other types of benefits.

X. Mathematical evaluation due to Technological deficiencies

- Case "Dominican Republic" -

Definition: Technological Coefficient = Technological Impact x Availability

Tec-Coef = Technological Impact x Availability

Income = Total Tec-Coef x [Consumption + Investment + Gov-Spending + Export - Import]

Income = Total Tec-Coef x [..... Σ economic variables .....]

Income = [0.56 x Consumption] + [0.56 x Investment] + [0.56 x Gov-Spending] +
[0.56 (Export - Import)]

XI. SUMMARY:

ELPAS Premises:
1) INCOME = EXPENSES.
2) Taxes = Public Savings = Back-up for cryptocurrency.
3) Nomination inflation = 0
4) Debt - edu, health, security = 0

How to do it?

1. Apply ELPAS-CQE system: Transformation of public debt into Social investment.
   See: ELPAS monetary and financial re-engineering.

2. Transform Taxes in Savings through financial re-engineering ELPAS. Using taxes (as Savings) for re-payment of public debt until its total elimination, and to finance indispensable and temporarily necessary imports.

Objective: Ceiling elimination of Public Debt (60% to P.I.B.)
Note: Social investment has its limit in educational and productive availability.

1) Revenue = Tec-Impact x [Consumption + Investment + Gov- Expenditure + Exportation - Import]

2) Expenses = Tec-Impact x [Social Investment + Investment]

3) Social Investment (IS) = I-EDU + I-SALUD + I-AMBIENTE + I-New ENERGIES

4) Investment Capital Productive = I-INFRAESTRUCTURA + Products + Real State

Mathematical equation of the new and alternative financial system DSEF-CQE:

Income = Expenses

Income = Tech-Impact x [Consumption + Investment + Gov-Spending + Export - Import] =

Tech- Impact x [Social Investment + Investment Capital productive]

The 'Fischer' equation is valid in the new monetary-financial-economic system of ELPAS-CQE:

$$M \times V = P \times Q$$

(P.I.B.)

M = Monetary Mass
V = Money Speed
P = Price level.
Q = Volume of Products.

What is the effect by introducing Cryptocurrency in the contemporary economy?

- It will change the Speed of Money -

$$M \times V = P \times Q \quad (M = 0)$$

$$\uparrow M \rightarrow P \uparrow \text{ and } M \downarrow \rightarrow P \downarrow$$

Objective: Inflation-NOM (I) = 0 → I = ∫ (Nominees)

$$\text{Log } M + \log V = \log P + \log Q$$

If Inflation = 0 it turns out that: log P = 0