

# Contents

- Proposal: ARM, Aircraft Relationship Management** **1**
- 1. Executive Summary . . . . . 1
- 2. The Business Case . . . . . 2
- 3. What You Asked For . . . . . 3
- 4. The Current State . . . . . 3
- 5. The Proposed Solution: ARM . . . . . 4
- 6. Phase 1, System 1: ARM Foundation . . . . . 5
- 7. Phase 2, The Continuous Evolution Retainer . . . . . 6
- 8. ARM Beyond the Committed Six: The Long Horizon . . . . . 9
- 9. The Month 18 Decision, Your Decision Point . . . . . 12
- 10. Total Investment Picture . . . . . 13
- 11. What This Replaces, and What It Doesn't . . . . . 14
- 12. Third-Party Costs . . . . . 14
- 13. Why Local Nerds . . . . . 14
- 14. Data Security & Compliance . . . . . 15
- 15. Risks and Honest Assumptions . . . . . 15
- 16. What I Need From You . . . . . 16
- 17. Indicative Timeline . . . . . 16
- 18. Next Step . . . . . 17

## Proposal: ARM, Aircraft Relationship Management

### A unified market intelligence platform for The VanAllen Group

#### Phase 1: Foundation + Continuous Evolution Retainer

**Prepared for:** Jeff Agur, Chief Executive Officer, The VanAllen Group **Prepared by:** Reuben Smith, Local Nerds **Date:** May 19, 2026 **Validity:** 30 days from issue **Supersedes:** Proposal v2 dated May 12, 2026

---

### 1. Executive Summary

The VanAllen Group runs world-class market intelligence on top of fragmented infrastructure. Two paid data subscriptions (AMSTAT, Aircraft Post), one paid-but-unused API, a researcher spending four-plus hours a day reconciling spreadsheets by hand, institutional knowledge stranded in email threads and Teams messages, and client deliverables built from screenshots.

What you described in our meeting is a firm whose intelligence and judgment are world-class, and whose tooling is making that intelligence harder, slower, and more error-prone to deliver than it needs to be.

**ARM, Aircraft Relationship Management, is the platform that fixes this.** This proposal commits to a two-phase engagement with a defined endpoint and a defined cost ceiling:

- **Phase 1: System 1, the Fuselage.** A unified, queryable database covering all 40 tracked aircraft markets, with an interactive web interface, source-of-truth reconciliation across AMSTAT and Aircraft Post, light reporting dashboards, and the audit trail and notes layer your team has been missing. Live by end of June 2026.
- **Phase 2: The Continuous Evolution Retainer.** A predictable \$3,800/month engagement spanning 18 months and six quarters, with one major platform capability shipped per quarter and a fractional data-ops layer in between. Total platform built and operating by Month 30.

**Total ceiling, fully-built ARM: \$92,705 across 30 months.** Locked at signing. No surprise builds. No bolt-on negotiations.

**The Month 18 decision:** At Month 18, you make a real decision about what comes next. Three defined paths, all priced and structured in this proposal. You are never auto-renewed into continued buildout.

---

## 2. The Business Case

Your researcher’s current manual workflow, 30 to 90 minutes per cycle, three to four times per day, represents approximately **four hours per day of manual data reconciliation**. At a fully-loaded research-role cost of roughly \$35 per hour, that’s **~\$35,000 per year** of internal time absorbed by a workflow ARM eliminates in Phase 1.

System 1 eliminates the workflow entirely. Both AMSTAT and Aircraft Post are integrated directly via their APIs. Brooke’s manual reconciliation workflow goes away end-to-end. Her time becomes high-value: adding notes, resolving the rare reconciliation conflict, and applying VanAllen’s judgment as override rules.

### How the economics work, condensed:

	Phase 1 (System 1, Year 1)	Retainer (18 months)	Total to Month 30
Investment	\$24,305	\$68,400	<b>\$92,705</b>
Time savings recovered (Brooke’s reconciliation)	~\$35,000 in Year 1	~\$52,500 across 18 months	<b>~\$87,500+ over 30 months</b>
Hours returned to high-value work	~1,000 hrs/yr	~1,500 hrs across 18 months	<b>~2,500 hrs over 30 months</b>

**The time savings alone exceed the platform cost across the engagement.** Brooke’s four hours per day of manual reconciliation, three to four times per day, totals roughly 1,000 hours per year. At a fully-loaded research-role cost of ~\$35 per hour, that’s ~\$35,000 per year recovered from the day System 1 goes live.

The drivers not counted above (deal velocity, error elimination on client deliverables, AMSTAT API activation, post-Essex integration acceleration, client-experience ceiling) are where ARM's actual value lives. Time savings is the floor.

---

### 3. What You Asked For

Captured directly from our May 7 conversation. These are the seven objectives ARM delivers, across Phase 1 and the Retainer:

1. **One source of truth** across AMSTAT, Aircraft Post, and VanAllen's own research → *Phase 1*
2. **Automated consolidation and reconciliation** of data from all three sources → *Phase 1*
3. **Light activity dashboards** (what changed today, what changed this week, market pulse, reconciliation queue) → *Phase 1*
4. **Trend tracking** on inventory, pricing, sale velocity, days on market → *Retainer, Q3*
5. **Standard prebuilt report templates** (five core templates) generated on demand → *Retainer, Q3*. Advanced or custom reporting beyond the standard templates is available as a separately-quoted bolt-on.
6. **Insights and perspectives** on individual markets, queryable in natural language → *Retainer, Q4*
7. **Proactive alerts** when significant market changes occur → *Retainer, Q1*

Plus three components Jeff described that ARM also delivers:

- **Live, branded client portals** replacing screenshot decks → *Retainer, Q5*
- **Microsoft Teams integration** for advisor queries from anywhere → *Retainer, Q1*
- **AI-generated market summaries** replacing the manual market overview workflow → *Retainer, Q2*

By Month 30, every objective Jeff raised on May 7 is delivered and operating.

---

### 4. The Current State

For the record, so we're working from the same picture:

- **Two paid data services.** AMSTAT, with an API you've licensed but haven't yet integrated; and Aircraft Post, with API access available to subscribers, also not yet integrated.
- **One internal researcher (Brooke)** spending 30-90 minutes, three to four times per day, pulling, reformatting, and reconciling data across both services into Excel workbooks for client delivery.
- **An estimated 4-9% human error rate** in the resulting outputs.
- **Approximately 15,000 private jets** tracked across ~40 markets, with ~50 useful fields per aircraft.

- **Institutional knowledge** stored across email threads, Teams messages, individual advisor memory, and one-off spreadsheet notes.
  - **Client deliverables** built from screenshots, snapshotting a moment in time with no historical trend, no live update, no client-side interactivity.
  - **Post-Essex Aviation integration** (effective Jan 1, 2026). Integration debt accumulates monthly while the workflow remains fragmented.
- 

## 5. The Proposed Solution: ARM

**ARM** is a custom-built market intelligence platform that lives behind your single sign-on, ingests data from all three sources, applies VanAllen-defined rules to reconcile disagreements, captures your team's notes and judgment as a first-class data layer, and delivers answers, not artifacts, to your advisors in the interface they're working in.

### **Build philosophy: fuselage first, then committed quarterly cadence**

Think of ARM the way you'd think about an aircraft. **System 1 is the fuselage.** The structural core that carries everything else. The database, the ingestion engines, the reconciliation logic, the audit layer, the security model, the activity dashboards. Built once, built right, built to carry whatever bolts onto it next.

**The Continuous Evolution Retainer is the buildout of every remaining capability,** one major component per quarter, in a sequence designed to maximize value to VanAllen at each stage. The cadence is committed. The capability calendar is set at signing. The retainer fee is flat.

### **Core principles**

- **Your data, your platform, your control.** ARM lives on infrastructure VanAllen owns. AMSTAT and Aircraft Post remain your data providers; ARM is your operating layer on top of them.
  - **Your code, your data, your exit.** All source code, schema definitions, and reconciliation rules are VanAllen intellectual property from day one, delivered to a VanAllen-owned GitHub repository.
  - **Augment, don't replace.** Brooke's expertise becomes the source-of-truth override rules. Your advisors' judgment becomes searchable institutional knowledge.
  - **Predictability over optionality.** One known number per month. One known capability per quarter. One known end-state at Month 30. One known decision point at Month 18.
  - **Built for the buyer you serve.** Your clients expect royal-family-grade output. ARM is built to that standard.
-

## 6. Phase 1, System 1: ARM Foundation

**Duration:** 3-4 weeks **Year 1 total:** \$24,305 (build + 12 months operating) **Live:** End of June 2026

### What we build

- **AMSTAT API integration.** Automated daily sync across all 40 tracked markets (~15,000 aircraft). Architected around AMSTAT's rate limits using an incremental-sync pattern.
- **Aircraft Post API integration.** Direct, automated daily sync alongside AM-STAT. Brooke's reconciliation workflow disappears entirely.
- **Unified, secure database** housing all three data streams, AMSTAT, Aircraft Post, and VanAllen internal research, with full historical retention from day one.
- **Field-by-field reconciliation engine.** Configured to VanAllen's rules. Includes a half-day workshop in Week 1 to establish the rules that govern disagreement resolution.
- **Web-based interface.** Accessed via your Microsoft 365 single sign-on, where any authorized VanAllen team member can search, view consolidated data on any aircraft, resolve field-level disagreements, add internal notes, override fields with audit trail.
- **Light activity dashboards.** Five real-time views: Today's Activity, This Week's Activity, Market Pulse across all 40 markets, Reconciliation Queue, Saved Searches and Pinned Aircraft. The platform is meaningfully useful from the morning of go-live.
- **Five (5) prebuilt basic report templates.** Current-state reports built as configurable, exportable templates:
  - *Aircraft Detail Report*, full data on a single aircraft, source-attributed
  - *Market Snapshot*, current state of one market (active listings, recent sales, status changes)
  - *All-Markets Inventory Summary*, count summary across all 40 markets
  - *Watchlist Report*, saved searches + pinned aircraft with recent changes
  - *Reconciliation Status Report*, open AMSTAT vs Aircraft Post conflicts with attribution
- **Complete audit trail.** Every read of contact records and every write to any field is logged.

### Phase 1 success criteria

- All ~15,000 aircraft across all 40 tracked markets fully ingested and synced daily
- Brooke's manual reconciliation workflow eliminated entirely
- Any field-level disagreement between AMSTAT and Aircraft Post visible, attributed, and resolvable in-app
- Any team member can pull a complete, current view of any aircraft in seconds
- AMSTAT API delivering value as a live, queryable asset for the first time since you licensed it
- Activity dashboards giving the team answers to "what moved overnight, in what market, by how much" without anyone touching a spreadsheet

## Phase 1 pricing

Payment	Amount	When due
Initial, 1 of 2	\$4,809	At contract signing (kicks off the build)
Initial, 2 of 2	\$4,808	At System 1 launch (~4 weeks after kickoff)
Phase 1 Monthly	\$1,224/month × 12 months	First payment 30 days after launch
<b>Phase 1 Year 1 total</b>	<b>\$24,305</b>	

## 7. Phase 2, The Continuous Evolution Retainer

**Duration:** 18 months (six quarters) **Monthly:** \$3,800 **Begins:** Month 13 (the start of System 1 Year 2) **Concludes:** Month 30, with the Month 18 Decision decision at Month 18

After System 1 lands and operates for 12 months, ARM transitions into the Continuous Evolution Retainer. One flat monthly fee. One major platform capability shipped every 90 days. A fractional data-ops layer running between the major drops, with a defined scope.

### The 90-day quarterly rhythm

Every quarter follows the same operational pattern:

- **Month 1, The Build.** Scope locked in the prior quarterly review. New component built and deployed to staging.
- **Month 2, The Alignment.** Integration into existing VanAllen workflows. Sales-process tuning. Light user training as needed.
- **Month 3, The Launch.** Feature goes live firm-wide. Quarterly Strategic Review with Jeff to confirm ROI and lock the next quarter's objective.

### The capability calendar (locked at signing)

Quarter	Months	Capability
<b>Q1</b>	13-15	<p><b>Custom Alerts + Microsoft Teams Integration.</b> 3 AM listing alerts. Teams bot for advisor queries from anywhere. Unifies the post-Essex merged firm's advisor experience and gives every advisor (legacy VanAllen or legacy Essex) the same speed advantage from day one.</p>
<b>Q2</b>	16-18	<p><b>AI-Generated Market Summaries.</b> On-demand, publishable summaries built from reconciled data. Replaces the manual market overview workflow. Frees Brooke and the team from the screenshot-deck workflow.</p>
<b>Q3</b>	19-21	<p><b>Historical Trend Tracking + Advanced Report Templates.</b> Pricing, inventory, sale velocity, days-on-market trends queryable over time. <b>Five (5) prebuilt advanced templates:</b> Market Overview (historical), Pricing Trends, Inventory &amp; Sale Velocity, Comparative Markets (YoY/QoQ), Client-Facing Custom Template aligned to VanAllen brand. PDF + CSV export. Each template carries configurable parameters (date range, market, aircraft criteria).</p>

Quarter	Months	Capability
<b>Q4</b>	22-24	<b>Natural-Language Query.</b> Plain-English queries across the platform, accessible through the web and Teams. Intelligence on demand for every advisor.
<b>Q5</b>	25-27	<b>Client-Facing Live Portals.</b> Replaces screenshot decks. Branded, real-time, per-client. Up to 5 portals at standard tier. The visible competitive moat, built on top of mature data, polished workflows, and 12 months of operating learnings.
<b>Q6</b>	28-30	<b>Flex / New Ideas.</b> Reserved for a VanAllen-prioritized capability that emerged during the buildout, OR hardening and deeper integration if no new priority surfaces. Scope locked in Q5 review.

### A note on reporting scope (the three tiers)

ARM delivers reporting in three clearly defined tiers, each with a defined scope and included template count. This prevents ambiguity about what's covered and what isn't.

- **Tier 1, Phase 1 (included):** Activity dashboards (5 real-time views: Today's Activity, This Week's Activity, Market Pulse, Reconciliation Queue, Watchlist) + **5 prebuilt basic report templates** (current-state, simple DB pulls, Aircraft Detail, Market Snapshot, Inventory Summary, Watchlist Report, Reconciliation Status). PDF + CSV export.
- **Tier 2, Retainer Q3 (included): 5 prebuilt advanced report templates** with historical trend analysis (Market Overview historical, Pricing Trends, Inventory & Sale Velocity, Comparative Markets, Client-Facing Custom).
- **Tier 3, Bolt-on (separately quoted on demand):** Advanced or custom reporting beyond the 10 included templates. Bespoke analytical deliverables. Per-

client custom formats. Multi-source reports with non-standard data joins. Real-time computed dashboards tailored to a specific use case. Per-template development typically runs \$1,500–\$2,500 depending on complexity.

**Total included reporting:** 10 prebuilt templates across Phase 1 and Retainer Q3. Each template carries configurable parameters. Templates beyond the 10 included are Tier 3 work.

### **The fractional ops layer (10 hours/month included)**

The work between capability drops, anchored in three categories:

- **Platform Adoption & Optimization.** Making sure ARM is used. User check-ins with Brooke and designated advisors. Friction-point fixes. Light training. Rule updates as Brooke’s expertise evolves.
- **Data Integrity & Workflow Alignment.** Making sure ARM’s data lands inside VanAllen’s sales process. Quarterly data quality reviews. Workflow alignment. Light integrations with existing systems.
- **Strategic Review & Prioritization.** Making sure the buildout stays aligned with the business. Mandatory quarterly strategic working session with Jeff. ROI tracking. Next-quarter scope confirmation.

**Hours overage** beyond the included 10/month: \$250/hour with notice. Beyond 15 hours total in a month: requires 7-day notice and pre-agreed scope addendum.

**What’s NOT in the fractional ops layer:** new platform builds outside the quarterly cadence; full marketing strategy; lead generation; content production; after-hours emergency response.

### **The API usage clause**

The monthly retainer covers all underlying cloud infrastructure and Anthropic Claude API usage up to \$150/month sustained. If sustained usage exceeds this ceiling as team adoption scales, the raw API overage is passed through transparently at cost. No markup. No surprise.

### **The pause provision**

VanAllen can pause the buildout cadence for one quarter per 12-month period, with 30 days notice. During a pause, the retainer drops to the Path A rate (\$1,800/month). When the pause ends, the retainer resumes at \$3,800/month and the buildout calendar shifts by one quarter.

---

## **8. ARM Beyond the Committed Six: The Long Horizon**

The six quarters above (Q1 through Q6) are the first 18 months. They’re not the platform’s ceiling. They’re the starter set sequenced for strategic value: build internal

speed and intelligence first, then put the polished view in front of clients at Q5 when the data and workflows are mature.

ARM is built to support 30+ additional capabilities beyond the committed buildout, organized into five categories. The full **ARM Capability Catalog** is available as a separate document. The summary view, what becomes possible after Month 18 if VanAllen wants to keep building (Path C):

### **Intelligence & Analysis (beyond AI summaries, trend tracking, NLQ)**

- **Predictive Deal-Likelihood Scoring:** ML model scoring every listing by close probability, projected price band, time-to-close, built from VanAllen's own historical data.
- **Comparable Sales Engine:** On-demand sale-price normalization across similar aircraft.
- **Anomaly Detection:** Flag unusual price moves, off-market activity, data outliers before they hit the market.
- **Market Timing Intelligence:** Best month to list any make/model by seasonality.
- **Competitive Intelligence Layer:** Track competitor listings, movements, and quoting patterns.
- **Win/Loss Tracking:** Capture the why behind every mandate won and lost. A feedback loop that compounds.
- **Annual Market Report Generation:** Year-end industry reports as a VanAllen-branded marketing asset.

### **Workflow & Process (beyond alerts and Teams)**

- **Buyer Mandate Management:** Each client's criteria tracked; auto-match against every new listing instantly.
- **Pipeline Management:** Deal stages from first conversation to close, linked to aircraft and advisors.
- **Advisor Activity Logging:** Calls, meetings, notes captured without manual data entry.
- **LOI / Offer Tracking:** Draft, version, send, track every Letter of Intent.
- **Contract Milestone Tracking:** From LOI through inspection, escrow, delivery.
- **Mandate-to-Match Automation:** New listings fire alerts to advisors based on logged buyer criteria.
- **Onboarding Workflow:** Standardized advisor and researcher onboarding inside ARM.

### **Client Experience (beyond live portals)**

- **Premium Client Portals:** Per-client white-label branding, custom domains, deep engagement analytics. The "royal-family-grade" tier.
- **Client-Side Annotation:** Clients pin aircraft, add notes, save preferences. Their feedback flows back.

- **Buyer Journey Automation:** Personalized email sequences tied to client criteria and engagement signals.
- **Automated Client Reporting Cadence:** Monthly / quarterly market updates auto-delivered, no advisor lift.
- **Multi-Client Family Office Dashboards:** One client managing a portfolio of aircraft or representing multiple buyers.
- **Public-Facing Listings Showcase:** White-label “Available Aircraft” experience on vanallen.com, fed by ARM, always current.

## Integrations & External Data

- **JSSI Maintenance Program Data**
- **FlightAware / ADS-B Integration**
- **JetNet Integration** (third major data source layered on AMSTAT and Aircraft Post)
- **Insurance / Cost-of-Ownership Layer**
- **Email & Document Intelligence** (drop an email or PDF; AI extracts and links to records)
- **Voice Notes from the Field** (advisor on the ramp transcribes and links to aircraft records)
- **CRM Bidirectional Sync**
- **Industry Index Benchmarking**

## Operations & Knowledge

- **Aircraft History Timeline:** Visual timeline of ownership changes, status moves, price moves per tail number.
- **Per-Aircraft Document Repository:** Logbooks, maintenance records, photos, collateral.
- **Photo & Media Management:** Aircraft images, walk-around videos, broker collateral.
- **Searchable Knowledge Base:** Every advisor’s notes, every client’s preferences, every market quirk Brooke knows.
- **Quarterly Business Review Automation:** VanAllen’s internal QBR data pre-generated.
- **Advisor Performance Dashboards.**
- **Sales Coaching Dashboard.**
- **Brooke’s Research Assistant Mode:** AI partner inside Brooke’s workflow itself.

## What this means for your planning

**The platform doesn’t run out at Month 30.** When the committed six ship, there are still 30+ capabilities to pull from. VanAllen doesn’t outgrow ARM by Year 3 or Year 5.

**The buildout direction is yours.** This catalog is the menu. VanAllen chooses the order based on business priority at each Month 18 decision point and at each Quarterly

Strategic Review during a Path C extension.

**The platform compounds.** Each capability makes the next one cheaper to build because the foundation, data, auth, interface, and integrations already exist.

**Nothing here is pre-priced or pre-committed.** Pricing happens at scoping, just as it does for the committed Q1 through Q6. Path C (\$3,800/month) covers the same capability cadence as the buildout retainer, with the calendar locked at the Month 18 decision conference.

---

## 9. The Month 18 Decision, Your Decision Point

At Month 18, before the buildout retainer is set to renew, you and I sit down for the structural conversation about what comes next. Three real paths, all defined and priced in this proposal:

### Path A: Software SLA Mode

**\$1,800/month.** Platform enters steady-state. Reu's role narrows to keeping ARM running cleanly.

**Includes:** all infrastructure hosting; schema-drift monitoring; security patching; defined-SLA break/fix support; quarterly platform health report. **Excludes:** new capability builds; ops/strategic advisory; data analysis work. **Term:** 12-month commitment, auto-renews annually, 60-day cancellation notice.

### Path B: Optimization Mode (Recommended Default)

**\$2,800/month.** Platform tuning. Data analysis. Small enhancements. Continued quarterly strategic review.

**Includes:** everything in Path A, plus ongoing platform optimization (portal performance, alert effectiveness, data flow tuning); monthly data analysis on platform usage and pipeline indicators; small enhancements under 8 hours each; continued quarterly Jeff session. **Excludes:** major new builds (quoted separately on demand); marketing strategy; lead generation; content production. **Term:** 12-month commitment, auto-renews annually, 60-day cancellation notice.

### Path C: Resume Building

**\$3,800/month.** The buildout retainer extends for another defined window (typically 4 to 6 quarters) if a new business priority needs new platform capability.

**Scope and capability calendar:** locked at Month 18 in joint scoping conversation.

### What you are NEVER signed into

Automatic continuation of the \$3,800/month buildout rate. The Month 18 conversation is mandatory. The default upon no decision is Path A (the lowest rate, most

conservative path). You are always free to step down, never automatically stepped up.

---

## 10. Total Investment Picture

### From signing to fully-built ARM at Month 30

Phase	Period	Cost
System 1 (Phase 1) Year 1	Months 1-12	\$24,305
Continuous Evolution Retainer	Months 13-30	\$68,400
<b>Total ceiling, locked at signing</b>	<b>30 months</b>	<b>\$92,705</b>

### What the time savings alone return

Metric	Year 1	Across 30 months	Across 36 months (3-year horizon)
Reconciliation hours recovered (Brooke)	~1,000 hrs	~2,500 hrs	~3,000 hrs
At fully-loaded \$35/hr cost	~\$35,000	~\$87,500	~\$105,000
Versus total ARM investment	\$24,305	\$92,705	\$114K-\$138K depending on Month 18 path

**Time savings alone exceed the ARM investment across the engagement.** Across 30 months, ~\$87,500 of internal time is recovered against a \$92,705 cost ceiling. By the 36-month horizon, time savings comfortably outpace any Month 18 path. And time savings is the floor: deal velocity, error elimination, and client-experience advantage are where the actual ROI lives.

### Three-year LTV (with Month 18 decision)

Depending on Path A, B, or C selection at Month 18, the 36-month total runs \$114,305 to \$138,305. All paths sit well below the original "\$100K worry" anchor, and all paths conclude with a fully-built, fully-operating platform plus ongoing partnership.

### Alternative billing for Phase 1

If you'd prefer to settle Year 1 of Phase 1 in one transaction: - **Annual upfront with 4% discount:** \$23,333 paid at contract signing.

## 11. What This Replaces, and What It Doesn't

**ARM replaces:** - Manual cross-referencing between AMSTAT and Aircraft Post - Spreadsheet-based snapshot reports (replaced by Retainer Q3) - Screenshot-driven client deliverables (replaced by Retainer Q5 portals) - Email-trapped institutional knowledge

**ARM does not replace:** - Your AMSTAT subscription (it's the data source) - Your Aircraft Post subscription (it's the data source) - Your CRM or contact systems - Your team's judgment (ARM operationalizes that judgment, never replaces it)

---

## 12. Third-Party Costs

**The only third-party costs on VanAllen's side are subscriptions you already have:** - AMSTAT subscription (existing): ARM uses the API you've already licensed - Aircraft Post subscription (existing): ARM uses the API available to your subscription tier - Microsoft 365 (existing): ARM uses M365 for single sign-on - Your existing domain (vanallen.com): ARM lives on a subdomain (e.g., arm.vanallen.com)

**Everything else is on us.** Local Nerds builds, hosts, operates, and pays for the underlying infrastructure. One fee, one bill, no surprise invoices when usage scales (subject to the API usage clause in Section 7).

---

## 13. Why Local Nerds

The fair question for a sophisticated buyer: why not hire a developer directly at half the price?

Because a developer builds what you spec. What VanAllen needs is someone who can sit with you and Brooke, derive the reconciliation rules from how you actually think about aircraft, encode your team's judgment into the system, and translate operational reality into working software. That's closer to fractional CTO than contract development. The retainer model is built around this distinction. The work between capability drops is what makes ARM right for VanAllen, not just functional.

The relevant track record:

- 25+ years in marketing and operations leadership, including selling a marketing firm and serving as fractional CMO across 8 operating companies in a private-equity portfolio. The deliverable across all 8 companies was the same: repeatable systems producing senior-grade output without my hands on every job.
- Local Nerds builds AI implementation systems specifically for service businesses and advisory firms, the same operating model VanAllen runs.
- Direct principal involvement on every engagement. I architect, I'm hands-on through delivery, and you are not handed to a junior team.
- Stack discipline: Cloudflare for infrastructure, Postgres/Supabase for data, Anthropic Claude for the AI layer. Standardized, secure, scalable, well-documented across every build.

- Approach: build for the buyer you serve. Your clients expect royal-family-grade output. ARM is built to that standard.
- 

## 14. Data Security & Compliance

- **Single-tenant infrastructure.** VanAllen's data lives in a Supabase instance scoped to VanAllen alone, on US-based infrastructure.
  - **Encryption.** AES-256 at rest, TLS 1.3 in transit, end-to-end on every connection.
  - **Access controls.** Row-level security at the database tier. User access scoped to role.
  - **Audit logging.** Every read of contact records and every write to any record is logged. Logs retained 7 years.
  - **AI training opt-out.** Zero data retention on the Claude API path is available on request. Your data is never used to train Anthropic's or any other vendor's models.
  - **Underlying compliance.** All infrastructure providers (Cloudflare, Supabase, Anthropic) are SOC 2 Type II certified. Documentation available on request.
  - **Annual third-party penetration test** included in the retainer.
  - **NDA executes before any credentials, data samples, or client information moves.** Standard mutual NDA, or we sign your form.
  - **Data residency / portability.** All data exportable to VanAllen's custody at any time, in standard formats (CSV, JSON, Parquet). No vendor lock-in.
- 

## 15. Risks and Honest Assumptions

- **AMSTAT API rate limits (25 requests per minute).** System 1 uses an incremental-sync architecture inside the rate limit with headroom. Initial bulk-load runs over 1-2 days; ongoing syncs use a small fraction.
- **Aircraft Post API scope.** System 1 integrates the Aircraft Post API directly. Field-by-field coverage confirmed against current Excel export in kickoff Week 1.
- **Field-by-field reconciliation rules require your input.** Half-day workshop in Week 1 with you and Brooke. Up to 30 reconciliation rules included in scope; additional rules at \$300 each.
- **Cadence asymmetry across quarters.** Some quarters are heavier than others (Q5 client portals is the heaviest single build; Q2 AI summaries is among the lighter ones). Local Nerds absorbs the asymmetry inside the flat retainer.
- **Reporting scope.** ARM includes ten (10) prebuilt report templates across Phase 1 and Retainer Q3: five basic current-state templates and five advanced historical-trend templates. Reports beyond these ten templates, including custom client-specific formats and bespoke analytical deliverables, are Tier 3 work and quoted separately on demand. Defining this up front prevents downstream scope friction.
- **Slip clause.** If a quarterly drop slips by more than 30 days for reasons inside Local Nerds' control, the retainer pauses for the slip period. If the slip is inside

VanAllen’s control (scope drift, delayed approvals, key personnel unavailable), retainer continues.

- **Brooke’s role evolves.** Her domain expertise becomes more valuable, not less. The override rules, the knowledge layer, the quality assurance: these are her territory.

---

## 16. What I Need From You

To move forward:

1. **Acceptance of this proposal** (electronic signature acceptable)
2. **Mutual Non-Disclosure Agreement** (I will provide the draft within 24 hours of acceptance)
3. **Kickoff call within 10 business days of NDA.** Approximately one hour, covering scope confirmation, reconciliation-rules workshop scheduling, access provisioning, and Q1 retainer kickoff sequencing
4. **Designated VanAllen point of contact** for the duration of the System 1 build and the Retainer phase
5. **AMSTAT API credentials and Aircraft Post account access** (handled inside the NDA-protected channel)

---

## 17. Indicative Timeline

Milestone	Approximate Date
Proposal accepted + NDA executed	Within 2 weeks of receipt
System 1 kickoff (scope + rules workshop)	Week of June 1, 2026
System 1 build window	June 1 - June 28, 2026
System 1 live	End of June 2026
Retainer begins (Q1: Alerts + Teams)	July 2027
Q1 (Alerts + Teams) ships	End of September 2027
Q2 (AI Summaries) ships	End of December 2027
Q3 (Trend Tracking + Reports) ships	End of March 2028
Q4 (NLQ) ships	End of June 2028
Q5 (Client Portals) ships	End of September 2028
<b>Month 18 Decision Point (Path A / B / C)</b>	<b>October 2028</b>
Q6 (Flex / New Ideas) ships	End of December 2028
Path A / B / C engagement begins	January 2029

Dates are indicative and depend on your team’s responsiveness during scoping and the depth of reconciliation rules established in Week 1.

## **18. Next Step**

### **Proposal valid through June 18, 2026.**

If the framing lands, reply and I'll send the Mutual NDA and a kickoff scheduling link within 24 hours. System 1 kickoff lands the week of June 1; System 1 goes live by end of June.

If anything needs adjusting (scope, sequencing, pricing structure, success criteria), let's get on a 30-minute call this week and align before we move further. The proposal serves the project, not the other way around.

Either way: thank you for the opportunity. This is the work I built Local Nerds to do, and VanAllen is exactly the kind of firm I want as a long-term partner.

---

**Reuben Smith** Principal, Local Nerds 970.800.1295 | LocalNerds.co | reu@localnerds.co