

# S H E P

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## **SHEP Investment Schedule**

William Groves — Funding & Equity Summary

### **Payment Schedule**

Month	Date	Payment	Cumulative Funded	Equity Earned
1	April 2026	\$500	\$500	1.0%
2	May 2026	\$500	\$1,000	2.0%
3	June 2026	\$500	\$1,500	3.0%
4	July 2026	\$500	\$2,000	4.0%
5	August 2026	\$500	\$2,500	5.0%
6	September 2026	\$500	\$3,000	6.0%
7	October 2026	\$500	\$3,500	7.0%
8	November 2026	\$500	\$4,000	8.0%
9	December 2026	\$500	\$4,500	9.0%
10	January 2027	\$500	\$5,000	10.0%

**Each \$500 payment = 1% equity in SHEP.** Equity is issued upon incorporation. If payments stop at any point, equity is proportional to the amount actually funded.

### **COSTS**

SHEP's current monthly infrastructure costs:

<b>Expense</b>	<b>Monthly Cost</b>
Anthropic (Claude Max — AI engine)	\$208
Vercel (hosting + compute)	\$122

GitHub (code + CI/CD)	\$52
Neon (PostgreSQL database)	\$39
CodeRabbit (code review)	\$30
Z.ai (AI assistant)	\$30
Fastmail (email)	\$12
Cursor (dev tool)	\$5
Domain + monitoring	\$2
<b>Total Monthly Burn</b>	<b>~\$500</b>

**Each monthly payment covers approximately one month of SHEP's infrastructure.** The \$5,000 total investment sustains 10 months of development and operations.

### How Dilution Works

Investor's equity is subject to standard dilution from future fundraising. Here is how the 10% evolves in a typical startup trajectory:

Event	Investor %	What Happened
Day 1 (fully funded)	10.0%	Investor holds 10% of common stock
Option pool created (15%)	8.5%	Shares created for future hires
Seed round (\$500K at \$2M pre)	6.8%	New investor buys 20% of company
Series A (\$2M at \$8M pre)	5.4%	Growth capital, further dilution

**Dilution reduces percentage but increases value.** At 10% of a \$50K company, the stake is worth \$5,000. At 6.8% of a \$2.5M company, the same stake is worth \$170,000.

### Terms Summary

Term	Detail
Total investment	\$5,000
Payment structure	\$500/month × 10 months

Equity on full funding	10% common stock
Equity per \$500 payment	1%
Equity type	Common stock, same class as Founder
Anti-dilution protection	None (standard)
Board seat / voting rights	None
Information rights	Quarterly email updates
When equity is issued	Upon incorporation

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