



General Terms and Conditions (GTC) of sales related to Watereum project of FuturAqua Plc.

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1. Definitions

1.1 Watereum system

The Watereum system is an electronic platform maintained by the Seller, which is a communication and IT system for obtaining, handling, storing and transferring of tokens that includes contracting, contract modification, client communication and customer service activities.

1.2 Watereum

It is a token family issued in April, May and June 2020, to be acquired by private offering, which certifies the fact that the contract has been concluded with the Seller. The pre-condition of the purchase and trading is an existing wallet in the Watereum system.

1.3 Token

The token is an electronic data generated in a blockchain-based system, which is stored by the Buyer in a wallet created for this purpose. The token does not incorporate the related rights and obligations included therein or the Agreement concluded between the Parties, it only stores and certifies them, and it cannot be exchanged for money. One token certifies and sets out the existence of a contract concluded for the takeaway of 1 litre of water and certifies the rights and obligations under this Agreement. The handling and storing of the token is performed in the Watereum system.

1.4 Seller

In the present General Terms and Conditions, Seller is FuturAqua Plc. (seat: 7011 Alap, Dózsa György út 81-83., company registration number: 07-10-001537, tax number: 23174586-2-07), and any potential future legal successor of FuturAqua Plc. shall be deemed to be Seller.

1.5 Buyer

In the present General Terms and Conditions, Buyer is the person who enters into an agreement with the Seller based on the present General Terms and Conditions and acquires a token from the Seller.

1.6 Service

Service means all services ensured and provided by the Seller to the Buyer based on this Agreement, which includes, to its rightful holder, the availability of certain volume of water related to the token, the extraction of that volume of water, its bottling and its handover by the Seller to the Buyer at the time and place specified by the Seller. The Seller may define the place and time of the handover of the water in an email sent to the Buyer in accordance with the provisions of this Agreement. The person holding the email address provided during the buyer registration enjoys the presumption of rightful possession.

1.7 Compensation

Compensation is the payment performed by the Buyer to the Seller based on this Agreement, which covers the fee payable upon signing the agreement and simultaneously acquiring the token, and covers the fee of extraction and bottling during the takeaway of the water. The Compensation includes the related taxes. The currency of the Compensation is Hungarian Forint (HUF).

1.8 Agreement

FuturaAqua Plc. sells one token by each agreement and in case of purchasing a bigger volume, the number of agreements between FuturaAqua Plc. and the Buyer is equal to the number of the purchased tokens. Each sales agreement forms an integral part of this GTC, which is pointed out by the Seller to the potential Buyers in advance in the electronic Watereum system. The language of the agreement is Hungarian. The conclusion of the agreement is performed in an encrypted electronic connection, in which the legal statements of the Buyer are irrevocably recorded and stored based on the consent of the Buyer in accordance with the applicable data protection rules, therefore the Agreement is in compliance with Section 6:7 Subsection (3) of the Civil Code of Hungary on the requirement of the written legal statements. (“A legal statement shall be construed to have been made in writing if executed in a form with facilities for retrieving the information contained in the legal statement unaltered, and for identifying the person making the legal statement and the time when it was made.”)

1.9 Water

Under this Agreement, water means drinking water extractable from the water resource(s) in the disposal of the Seller.

1.10 Bottle

The Seller provides to the Buyer the water extracted for the Buyer in a bottle, due to the lack of own buyer’s logistics. Only the packing shall be considered a Bottle that is standardised and used by the Seller and provided by the Seller to the Buyer, and the Buyer is entitled to use its own packing for the takeaway.

2. General provisions

2.1 The present General Terms and Conditions form part of the contract criteria of sales related to Watereum project of FuturaAqua Plc., based on which the Buyer

receives the Service of the Seller and based on which the Buyer shall pay Compensation to the Seller.

- 2.2 Each Watereum token acquired by the Buyer from the Seller incorporates an agreement between the Parties regulated by the present General Terms and Conditions. The present General Terms and Conditions include all rules of the agreement concluded by the Parties for the Services; Section 6:63 Subsection (5) of the Civil Code of Hungary is not applicable to this Agreement. Any deviation from the present General Terms and Conditions shall be made in writing, by the mutual agreement of the Parties.
- 2.3 In case the Buyer also has General Terms and Conditions, the acceptance of the present General Terms and Conditions by the Buyer is deemed to be an agreement by the Parties that the Buyer's General Terms and Conditions are not applicable between the Parties. This rule differs significantly from Section 6:81 of the Civil Code of Hungary.

3. Rights and obligations of the Seller

- 3.1 The Seller guarantees to the Buyer that, at the time of the conclusion of the Agreements between them and at the time of returning the tokens to the Seller, the Seller owns or has at its disposal a certain volume of resource of mineral and drinking water of quality defined in Section 1.12 of this Agreement, based on which the Buyer is actually able to exercise its water supply right.
- 3.2 The Seller shall provide the technical conditions necessary for exercising the Buyer's water supply right and in case the Buyer requests so, extract from the water resources, bottle and handover to the Buyer the volume of water to which the Buyer is entitled, within 60 days following the request of the Buyer and the taking back of the tokens. The actual time and place of the handover-takeover is defined by the Seller between the 8th and 30th day following the Buyer's notification. Unless otherwise agreed by the Parties in writing, the Seller shall not take care of the storage of the extracted and bottled volume of water following the date of the handover, and the Seller shall not arrange the transport of the water.
- 3.3 The Seller is entitled to Compensation in exchange for the Service defined in Section 3.2, under the following terms and conditions:
 - In exchange for acquiring the tokens and prior to and as a condition of the acquisition, the Buyer shall pay the sum as published by the Seller or, in case the acquisition is possible by buyer auction, the final sale price by bank transfer to the bank account provided by the Seller in the course of the transaction.
 - In case of returning the tokens to the Seller, the Buyer shall pay by bank transfer the costs of extracting and bottling of the volume of water to the Seller and to the bank account indicated by the Seller. The costs of extracting and bottling are defined by the related seller price list valid on the day when the tokens are returned to the Seller. The Parties consider the prices ad valorem and they exclude the possibility of avoiding this Agreement on the basis of gross disparity in value.

- 3.4 The Buyer obtains the ownership of the volume of water to which it is entitled only in case it paid to the Seller the Compensation defined in Section 3.3, and returned the tokens related to the volume of water to the Seller and took over from the Seller the extracted and bottled volume of water. Until these cumulative conditions are met, the Seller exclusively maintains its ownership over the volume of water related to the Buyer's tokens and the Buyer shall not acquire ownership thereof until these conditions are met.
- 3.5 In case the Buyer does not exercise the water supply right within five years following the issuing of the token acquired by the Buyer by the agreement, it is considered buyer withdrawal under this Agreement and the Buyer shall pay to the Seller retention payment equal to the sum that it has already paid to the Seller based on these conditions. The sum of the retention payment and the repayment obligation of the Seller towards the Buyer can be set-off against each other, i.e. in this case neither Party is obliged to perform any actual payment to the other Party.
- 3.6 In case the Buyer communicates prolonging statement to the Seller one month (or earlier) before the five-year period defined in Section 3.5, the concluded Agreement(s) are prolonged with an additional period of five years, while other condition(s) remain unchanged. In case the Buyer does not exercise the water supply right within five years following its prolongation of the agreement, it is considered buyer withdrawal under this Agreement and the Buyer shall pay to the Seller retention payment equal to the sum that it has already paid to the Seller based on these conditions. The sum of the retention payment and that of the repayment obligation to which the Seller is obliged towards the Buyer can be set-off against each other, i.e. in this case neither Party is obliged to perform any actual payment to the other Party.
- 3.7 Rights and obligations of the Buyer resulting from this agreement can be assigned to third parties by the Buyer as the party exiting the agreement, in accordance with the rules of transfer of contract. With these contract criteria, the Seller declares that based on Section 6:209 Subsection (1) of the Civil Code, it consents to the Buyer's potential future transfer of contract providing that the Buyer shall notify the Seller of the transfer of contract and the person entering into the contract, within 30 days following the transfer of contract. The Seller is entitled to withdraw this prior consent to the transfer of contract.

4 Rights and obligations of the Buyer

- 4.1 Based on this Agreement, the Buyer obtains the rights defined in this Agreement and undertakes the obligations defined in this Agreement. The Buyer enters into the same amount of Agreement with the Seller as the volume of water intended to be purchased by the Buyer expressed in litres, as a certification of which following the signing of the agreement, becomes entitled to the number of tokens equal to the amount of the Agreements. The tokens will be provided by the Seller to the Buyer following the signature of the Agreements and the Buyer's contractual performance of the compensation defined in Section 3.3.

- 4.2 The condition of contracting and providing the tokens to the Buyer is that the Buyer registers in the Watereum system operated and maintained by the Seller, identifies itself and opens a wallet. The delivery of the tokens is performed by placing the tokens in the Buyer's wallet.
- 4.3 The tokens are the property of the Seller and the Buyer obtains the possession of the tokens by their placement in the Buyer's wallet. In the course of the potential transfer of contract, the Seller shall hand over also the possession of the tokens to its contractual party in a way that it places the tokens in the wallet of the contractual party, as the party entering into the Agreement.
- 4.4 Prior to the actual takeaway of the volume of water reserved by the Buyer, the Buyer is entitled to transfer certain or all Agreements concluded with the Seller, to a third party, in accordance with the rules of transfer of contract. The required consent to this is already provided by the Seller in Section 3.5. The Buyer acknowledges that the condition of transfer of agreement is that the third party contracting with the Buyer registers in the Watereum system operated and maintained by the Seller, identifies itself and opens a wallet. The Buyer acknowledges that transfer of contract shall not be possible in case the third party contracting with the Buyer does not comply with its identification obligation and the anti-money laundering rules and does not register in the Watereum system or does not open a wallet there.
- 4.5 The Buyer acknowledges to be exclusively liable for all taxation or administration obligations resulting from the transfer of contract, therefore the Seller shall not have any liability relating thereto and the Seller excludes and rejects any such liability.
- 4.6 The Buyer shall notify the Seller in email, of the transfer of contract within 30 days following its conclusion, by indicating the number of the transferred Agreements and tokens and the identification data of the acquiring Party.
- 4.7 In case the Buyer intends to exercise the actual water supply right, it shall notify the Seller of its intention in email; in this case the Seller acts in accordance with Section 3.2.
- 4.8 The risk passes to the Buyer when it takes over from the Seller the water to be taken away, at the place and time indicated by the Seller.
- 4.9 One token certifies in every case the right to the takeaway of 1 litre of water, and it shall not be exchanged for money.

5 Technical provisions

- 5.1 No valid sales agreement can be concluded prior to buyer registration. In the course of registration, the Buyer shall provide factually and correctly all of its data that is requested by the Seller in the course of registration. The provision of data means at the same time consent to data processing. The Seller's Watereum system does not allow the completion of registration with incomplete data, in the technical sense it notifies the person intending to register in an error message about the incomplete data and until then the person cannot enter the sales system.
- 5.2 The email address can only be registered if, upon the Seller's call, the Buyer sends a confirmation email to the Seller from the email provided during the

registration. The Parties agree that with the above check the Seller ascertained by reasonable conduct expected in a particular situation that the Buyer has provided real and existing email in its own use during the registration. One email address can be registered only by one Buyer and the Buyer shall ensure that the email address is maintained and constantly checked.

5.3 The Seller informs the Buyer that, based on Section 5 Subsection (2) Point b) of Act CXII of 2011 on Certain Aspects of Electronic Commerce Services and Information Society Services, the agreement is deemed to be in writing and filed by the Seller and the filed agreement will be available later on.

6 Liabilities and warranties

6.1 The Parties limit their liability for restitution and liability for damages applicable in case of breach of this Agreement; in case of their breach of agreement their maximum liability for restitution and damages caused this way, is equal to the sum that the Buyer has paid to the Seller as Compensation based on this Agreement. This liability shall not in any case cover loss of profit. The Parties state that the limitation of liability does not apply to intentional breach of agreement or breach of agreement damaging human life, physical integrity or health.

6.2 The Seller shall not be held liable and it is considered neither lack of conformity nor nullification of the Agreement on the Seller's side, in case any law or decision of a public authority effective at the time of or coming into effect following the conclusion of the Agreement prevents, blocks or limits the Buyer to exercise the water supply right of the reserved volume of water.

6.3 The Seller warrants that, with regard to obtaining the ownership of the volume of water reserved by the Buyer, no third party bears any right that would prevent or limit the acquisition of ownership on the Buyer's side.

6.4 Following the exercising of the right to takeaway, the Seller is liable for providing warranty in accordance with the rules of the Civil Code of Hungary.

7 Termination of the Agreement

7.1 The termination of the Agreement is governed by the rules of the Civil Code of Hungary with derogations defined in this Section.

7.2 Following the signature of this Agreement and prior to the Buyer's exercising the right to takeaway, neither Party shall have the right to withdraw from the Agreement; the Parties exclude the applicability of Section 6:231 Subsection (3) of the Civil Code of Hungary. Withdrawal can be exercised only following the exercise of the right to takeaway and by complying with the legislative rules of lack of conformity.

7.3 In case neither Party is liable for the nullification of the agreement, the Buyer, by paying the amount of the Compensation performed at the time of contracting, paid the financial compensation of the service provided prior to the termination of the agreement, i.e. the compensation of the Seller's service that the Seller keeps available to the Buyer the reserved volume of water, therefore in this case

neither the Seller has any repayment obligation, nor the Buyer has any further payment obligation.

- 7.4 The Parties agree that neither Party can be held liable for late performance, nullification or non-compliance of performance, in case the performance became impossible or impracticable due to any foreseeable or unforeseeable reason falling outside the given party's intentional conduct (including but not limited to war, uprising, riot, accident, natural disaster, unforeseeable events, legal regulations and public authority actions, which render the given party's performance impossible). In case the non-compliance, late performance or non-performance continues for more than ninety (90) days, both Parties are entitled to terminate the Agreement at their discretion and without undertaking liability, by a written statement communicated to the other Party. As a legal effect of the termination by any of the Parties, the Buyer is not entitled to the refund of the compensation already paid by the Buyer, however the Parties are free from their other obligations.

8 Indirect scope of the Agreement

- 8.1 The indirect scope of the Agreement is the water defined in Section 1.12.
- 8.2 The Seller declares and warrants that the water resources at his disposal and subject to the water right permissions allow the lawful extraction of water at least in the amount that is equal to the signed agreements and the issued tokens.
- 8.3 The Seller undertakes that in the course of further contracting and token issuing, it will take into consideration the size of the available water resource and will not undertake any liability exceeding that. The Seller is entitled to increase its available water resource by acquiring further water resources and obtaining further water right permissions. It is the discretionary decision of the Seller from which water resource at his disposal it performs the volume of water to be taken away by the Buyer.
- 8.4 The Seller holds and manages the water resource at its disposal in compliance with the effective water management rules. The Seller satisfies the takeaway requests in a 'first come first served' system.

9 Miscellaneous

- 9.1 For all issues that are not covered by this Agreement the Hungarian law is applicable, with special regard to the provisions of Act V of 2013 on the Civil Code of Hungary. Act CXXII of 2015 on Electronic Administration and Trust Service does not apply to this Agreement. Any legal disputes resulting from or related to this Agreement falls under the competence of courts with general jurisdiction.
- 9.2 Every sales and other communication related to this Agreement shall be made in writing. The electronic mail sent from the email address provided by the Buyer in the course of registration in the Watereum system to Seller's contact email address, and the electronic mail sent from the Seller's contact email address to the email address provided by the Buyer in the course of registration in the Watereum system, are considered to be in writing by the Parties.

- 9.3 In case any part of this Agreement is deemed to be invalid or unenforceable, the other provisions of the Agreement shall remain unchanged and effective. In this case the provision deemed to be invalid or unenforceable is considered to be modified in a way that it facilitates as much as possible the realisation of the intention of the Parties to conclude the agreement and their economic and legal objectives, that the Parties intended to reach with the invalid or unenforceable provision.
- 9.4 Notwithstanding the validity of the possibility of the transfer of agreement, neither Party is entitled to transfer any of its rights, interest or obligation (including any currently existing or future payment obligation) resulting from this Agreement, to third parties, without the prior written consent of the other Party.
- 9.5 No claim or right resulting from the breach of this Agreement shall be lost partially or entirely by withdrawal of the right of interest, unless this withdrawal was made in a written statement signed by either of the Parties and communicated to the other Party.