



Watereum token White Paper

Chapter 1. About the Watereum

It is an obvious fact that besides the media hype, data coming from real researches prove: climate change is not a possible consequence for the future, but a process, which we are already suffering from. This indicates that the environmental conditions known to us in their current state, the related possibilities and living conditions might significantly change.

Further researches list the alternatives of the possible outcomes of the changed environmental conditions, but there is a general agreement about that providing indispensable living conditions for human existence in the future will not be as easy – we might say evident – in certain areas of the planet as it is under the circumstances of today.

As a consequence, all ideas focusing on consciousness emphasize the importance of restructuring waste creation and securing clean drinking water – besides clear air – which is an environmental condition indispensable for life. The challenge of today is preserving the previous one for the future.

Futuraqua PLC added sweet water and waste management to its strategic goals because of the obvious relations between the two. The company wishes to capitalize on the globally manageable wider economical perspectives of sweet water. Inclusion of the blockchain technology and the Watereum token create the platform for this purpose.

The value of drinking water can be expressed in a completely different dimension when we offer it to a thirsty person in the desert. Based on the modern, general perception of value, it cannot be comprehended what changes the permissions over life-values with real human physiological values go through within minutes due to the lack of water. In that moment, when we reach the finishing phase of this revaluation, we will only have a few chances to easily join this process. The so called entry barriers will be higher, way higher than we can imagine.

The meaning of “The Water of the Future,, includes this in itself – the individual and community process of preparation completed by professional and today’s state of the art solutions for water management.

Individual and community goals realized through Watereum:

- global community for the preservation of water resources – by responsible , economical and waste-free water-management through the utilization of blockchain technology;
- Organized on the bases of individual interest, because ownership of individual permission guarantees the availability of the pre-engaged amount of water which is necessary for existence and management;
- validating the economical profit coming from the changes in value of the water mass;
- permissions necessary for life (air, water, food) will become equal with the security investments of today (gold, silver) (Watereum);

- Its current value is easy to define, its future value is unchanged regarding the initial amount;
- owner of the token creates a community based on values through itself, which provides individual advantages with highly secure coverage – at the same time, it supports the ongoing innovation on the field, therefore kind of generating the further value creation of its own permission.

An important goal of FuturAqua PLC is to continuously increase the amount of water resources of exclusive utilization with the available resources. Within the frames of responsible water management, it dissociates itself from the use of plastic packaging, thus protecting the water resources from becoming contaminated.

It wishes to include new funds with the utilization and sale of free water capacity remaining besides the locked water. This makes continuous developments possible.

With the help of new innovative possibilities – installation of new packaging system and widening the commercial and linked environmentally conscious informative activity –, we wish to add to the continuous growth. This growth – in regard of market trends – increases the values of the water resources.

Chapter 2. Watereum in the world

Overpopulation of the Earth and providing humanity with goods already puts too much burden on the resources of the planet. Today, one of the biggest challenges ahead of us is enforcing the better management of natural resources.

It is necessary and important for the sweet water indispensable for life to have an emphasised role in the future. Responsible water management is already key for our planet and civilization, but its outstanding role in the future – because of the anticipated further decrease of resources – will only become more significant.

The Watereum system wishes to offer a solution for the management of unevenly spread resources on Earth. We can hear almost every day about certain territories being stricken by droughts for months or years, while at the same time, on an other territory almost within reach, the floods and rains cause problems.

The goal of responsible water management and of Watereum within this is to create an accountable system of such a responsible water management with the help of tokenizing processes, which helps ending the unevenness of resources.

By supporting, inciting or even executing investments, it would be possible to store and manage water resources on territories with plenty of water, and making these resources available for the territories which lack water. For this we need a professional system of accountability in regard for the international relations. The Watereum system wishes to realize this task.

Chapter 3.

Watereum – The solution

By its structure, the Watereum system will allow the owners of water resources (handlers) to create tokens in the system through the use of smart contracts. By selling these tokens, handlers of the territories in need of resources have the chance to obtain the tokens worth water – also gain access to water. This permission of access can be sold to those in bigger need of water or can be treated as reserves, but in case the owners need to, they can extract and transport the water.

The utilization of the tokens is opened within the system, so their owners have access to such resources which are not at all or only restrictedly available in the traditional commercial systems or the stock exchange.

Chapter 4. The Watereum and FuturAqua PLC

The Watereum system is the idea and property of FuturAqua PLC. Through the realization, the owner provides the possibility of access to the system. The system is being operated – with the inclusion of partners – by FuturAqua PLC.

With the help of tokens, the partners sign a contract with FuturAqua PLC and they can use their tokens according to the conditions included in the contract. The long-term goal of the Watereum system is to provide a commercial platform for those partners, who wish to achieve a better, more efficient way of operating with water resources.

Naturally, the system also includes the water resources owned by FuturAqua PLC, so they can serve as a reference, an example for those partners who join the system later.

Chapter 5. How to use Watereum

The users can access the Watereum tokens from the blockchain-based system built by the commission of FuturAqua PLC. This system operates within the territory of Hungary and its operation is regulated by the Hungarian laws.

The tokens are being generated and activated by FuturAqua PLC for itself and its partners as well within the system. Owners of the water resources receive the generated tokens in their own, highly secure wallets, and they can re-sell them from here.

FuturAqua PLC creates the safe wallets and provides the access I.D.s to the users. The system can be accessed from a personal computer or a smartphone. The wallet can purchase from the tokens on sale through the commercial platform of FuturAqua PLC, but according to the conditions included in the smart contract, even the indirect (wallet-to-wallet) commerce is an option.

The owner of the wallet indicates the intention of purchase to the owner of the token, and makes an offer for the amount and value of the desired tokens. By accepting the offer, owner of the token confirms it. The purchasing wallet transfers the price of the tokens to the issuer,

and the cost of authentication (gas) to the system. After the completion of the two money transfers, the token is moved into the wallet of the purchasing party, where it is not confirmed yet, but the authentication (mining) of it initiates on the blockchain. Completion time of the process depends on the load on the system. The transaction makes it to the blockchain and therefore is activated in the wallet of the buyer. From this point, the purchasing party becomes the owner of the token.

Chapter 6. Guarantees of the Watereum token

The eventual collateral security of the Watereum token is the water itself; the contract containing the permission to access and the associated rights and obligations is electronically embodied by the token. The collateral security is guaranteed by FuturAqua PLC by being the owner of the water resources on sale in the form of tokens, or can ensure the collateral security of a third party with appropriate contracts, bank or other guarantees.

The third party issuing tokens in the Watereum system guarantees the collateral security of its own tokens, which is detailed in the smart contract. The Watereum system grades the tokens by their collateral securities, which grade is publicly available to the users of the system.

Chapter 7. About selling in the blockchain system

The Watereum system was created with blockchain technology which is independent of states, countries, stocks and banks. Transactions in the system are being authenticated by mining organizations independent of FuturAqua PLC in every aspect. This guarantees that only such authenticated transactions become part of the blockchain which are realized from 'real deals'. This circle of miners (authenticators) is expected to become public in the future in order to expand capacities and increase speed. The high number of freelance connections created this way are incorruptible, the token cannot be stolen or used by someone unauthorized. Among the commercial systems, currently no other platform has this level of authentic solution.

Chapter 8. Why the Watereum?

At the point of writing this White Paper – according to our knowledge –, there is no other complex system of this level: such thoroughly designed and prepared commercial system, which uses the currently available most modern technology – the blockchain – to manage transactions. The system was created with novel technological innovations on a scalable and expandable technical bases, so the expected future increase in the amount of tokens won't cause any problems.

During the creation of the system, the blockchain technology was chosen because of the following reasons:

- quick installation, easy overview;

- the Open Source platform reduces the possibility of installing malware to zero;
- scalable technical bases for future expandability;
- independent authenticators (miners) – almost impossible to sign fake contracts;
- secure operation of the system is ensured by highly reliable (used for banks and money management companies) solutions;
- applications exist on almost every device (personal computer, tablet, smart phone, etc.) for easy use;
- simple programs with good overview, so users with less experience in IT can also capitalize on the possibilities.

Chapter 9. FuturAqua PLC

Since its foundation, FuturAqua Mineral Water Production and Asset Management Public Limited Company is interested in searching for mineral water resources, management and utilization of water property. On April 30. 2019 – on the annual general meeting of the shareholders – sustainability and the support of it moved to the centre of the company’s future vision.

In this spirit, FuturAqua PLC is committed to climate and water protection, also to reducing its ecological footprint.

As part of the new strategic guidelines, the company’s main objective was renewed – increasing the importance of the strategic role of sweet water –, such as its endeavour to become a company of the water market, a financial company and also a company of food industry trustee, which is important on an international level and has commercial relationships outside of Europe – with manufacturing and commercial activity, traditional and innovative market activity and presence at the capital market.

The company’s new motto is the essence of its mission: “FuturAqua – The future of water – The water of the future”.

In order to execute the company’s goals of sustainability, FuturAqua PLC reinvented its products and is continuously looking for new solutions. In compliance with all this, as an environmentally conscious manufacturer – after the relaunch of production in the Alap – 1 mineral water factory –, the company will offer its mineral water in glass bottles, furthermore – as a “company of the future” – it will launch its new and unique, blockchain technology-based token, the Watereum.

As part of its mission to create responsible water management and decrease the amount of plastic waste, FuturAqua PLC joined further processes of waste management besides prevention.

Chapter 10. Roadmap

Thanks to the scalable and expandable build, the system of Watereum can plan for not only a one time operation, but for multiple years, decades of it. Based on this White Paper, the following launches can be expected.

Watereum V1.0

Token family to be launched in April 2020, which is publicly available and purchasable. The condition of purchasing, trading will be the existence of a wallet in the Watereum system. The token can be publicly purchased and traded according to the conditions included in the contract.

Watereum V2.0

Token family to be launched in May 2020, which is publicly available and purchasable. The condition of purchasing, trading will be the existence of a wallet in the Watereum system. The token can be publicly purchased and traded according to the conditions included in the contract.

Watereum V3.0

Token family to be launched in June 2020, which is publicly available and purchasable. The condition of purchasing, trading will be the existence of a wallet in the Watereum system. The token can be publicly purchased and traded according to the conditions included in the contract.

In the future – after obtaining the necessary licenses – FuturAqua PLC plans to introduce a standalone unit of account. These units of account will be either directly purchasable for money, or will later be exchangeable for traditional money.

Chapter 11. **The legal environment and legal content of Watereum**

The token called Watereum provides access for its owner to service and exact thing by actually including rights and obligations in itself. One Watereum token grants the right for one litre of drinking water, so the issuer FuturAqua PLC ensures that for every token which returns to the company, the last owner of the token gets 1 litre of water. The service of FuturAqua PLC is on one hand securing that the owner of the token gets the water. On the other hand, the company grants the owner of the token the right to transport the water in case the owner of the token fulfils his/her obligations in connection with the transportation. Access to the water is guaranteed, but the right for de facto transportation (*ius tollendi*) can only be practiced, if the owner of the token fulfils his/her attached obligations. These obligations refer to the bearing of the cost of the extraction and the bottling of the water. This means that in case the holder of the token de facto executes his/her right to transport the water, he/she is obliged to reimburse the cost of extraction and bottling to FuturAqua PLC, according to the actual list of prices valid at the point of announcing the claim. In this sense, the token provides guaranteed access right to the thing (1 litre of water per token), and it provides access to the service of the desired water being de facto extracted and bottled for him/her. This service means obligations for the owner of the token: in order to de facto transport 1 litre of water per token, the owner of the token has to reimburse the above mentioned costs.

In connection with the Watereum, the “right to purchase water” is not equal with the definition of right to purchase as described in in the Hungarian Ptk. 6:225. §. Owner of the token, who returns the token to the issuer, doesn’t sign the deed of purchase for the water with the issuer when de facto takes the water, but when obtaining the token, according to the relevant general terms of contract of the issuer.

The token means no bases for any right of membership, company management, company government, no such thing can be deducted from it. Owner of the token is not a shareholder of FuturAqua PLC, nor a bondholder, therefore the it does not provide the owner of the token with the right to vote, to form an opinion, or with any other type of permission in management of the company. Neither does the token entitle with any type of advantage in wealth, so interest, “dividend”, nor any other type of money payment can be claimed. This token provides no right for profit sharing from the company’s potential future profit.

During the issuing of the token, the person purchasing it is obliged to pay a part of the contractual fee as the cost of owning the token, which grants him/her ownership of the token and obtains the rights above, and implicitly accepts the future fulfilment of the above mentioned obligations. According to the one-sided disclaimer of its owner, the token can’t be exchanged for money by the issuer. When owner of the token “returns” the token to the issuer, the issuer is obliged to de facto make the guaranteed amount of water available in case the attached costs are paid by the owner. One token always and under any circumstances embodies the possibility for the transportation of one litre of water, independent of how the owner of the token obtained the token: from the issuer or from someone else; or at the price of what.

The token embodies the above detailed rights and obligations, so the contract itself signed between the acquirer of the token and the issuer of it. This contract can be transferred according to the rules of transferring contracts (Hungarian Ptk. 6:208.-210. §). This transfer is not applicable to securities law, so it is not an abstract transaction and “rotation” of the token does not separate from the basic transaction, but the basic transaction is being transferred. After transferring the contract, the same rights and obligations are applicable between the issuer and the owner of the token as between the original buyer and the issuer. Physical manifestation of this transfer of contract is the above detailed transfer between the wallet of the owners.

The issuer operates the Watereum system and the issuer owns the token which symbolises the contract between the issuer and the owner of the token, therefore the rightful contractual party is the quasi owner of the token.

The token described above is rated as ‘utility token’ in the traditional qualification of tokens, which provides access to something or a service. This token is not a mean to pay and not a mean for fundraising. It is not qualified as crowdfunding, furthermore is not securities, and is not financial or investment means. The token is not securities, does not embody the rights and obligations included within, only records and certifies them. According to the position of FuturAqua PLC., as a consequence, rules of the financial and the capital market can’t be applied to this token and this issue of token – basically rules of the civil law apply to that. According to the international tendencies, the scientific studies and professional recommendations we consider this position verified and confirmed.

Launch of the Watereum token happens in Hungary, therefore the Hungarian laws apply to it. The Hungarian court is the competent forum for settling any disputes.

Complaints concerning the Watereum product are treated by the issuer FuturAqua PLC via the known contacts.