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Executive summary

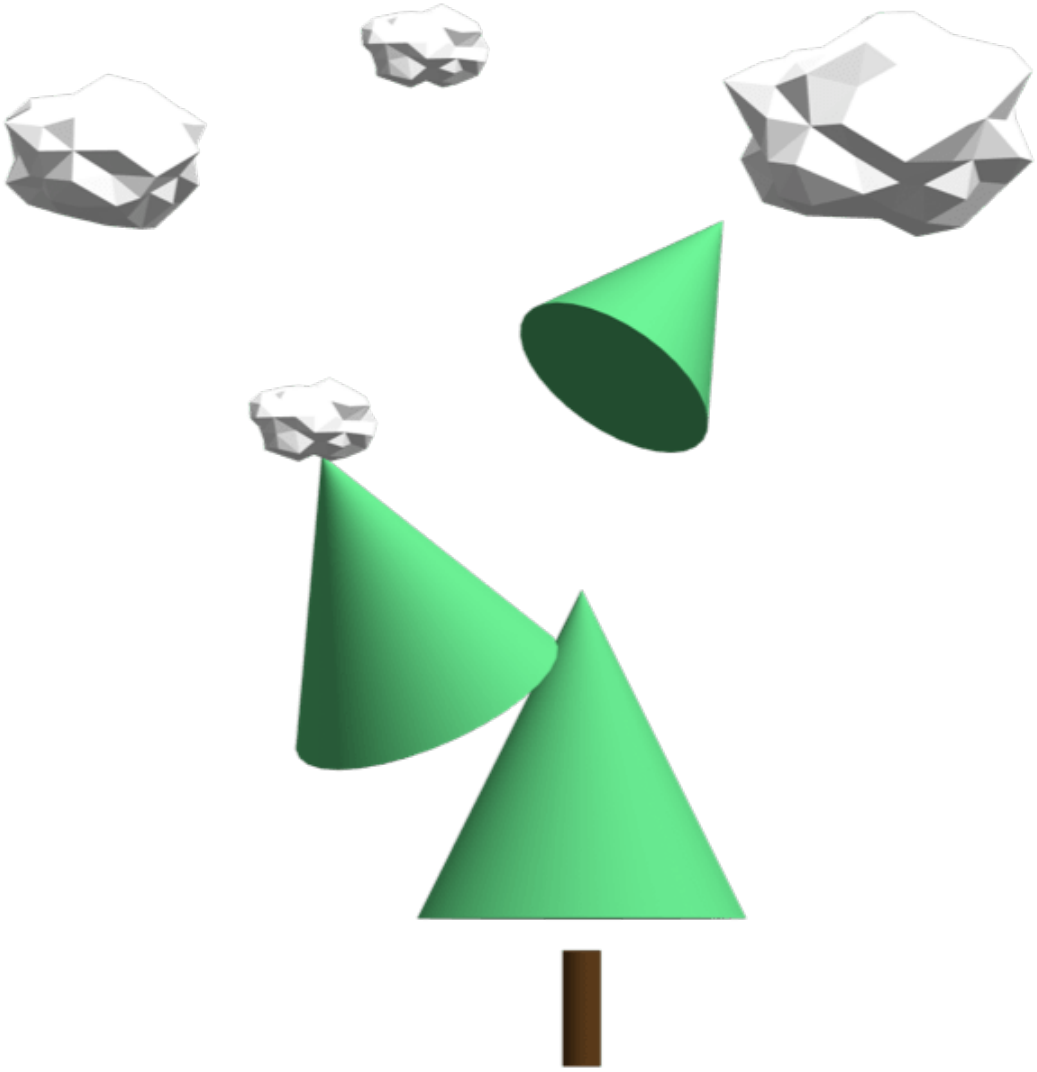
Every year, millions of hectares of forests are cut down to produce wood and other materials, or to free the land for agricultural needs. Such loss is one of the main causes of CO2 emission, on par with the overall emissions of the whole United States of America or China. CO2 emissions, in their turn, are the main cause of global warming, which is the greatest existential threat to humanity and the planet. Many actions have already been taken to prevent and even reverse the deforestation process, but all these measures combined aren't enough to have a significant impact in alleviating the CO2 crisis.

The Foster project is devoted to introducing and utilizing blockchain technology to assist in solving the global deforestation problem. It allows everyone to participate in our climiate change solution by making this process as simple and straightforward (user friendly) as possible.

Foster & partners will manage all operations required for effective reforestation, from the purchase of land, its preparation and fertilization, CO2 certification and certificate tokenisation, as well as trading CO2 credits on international platforms.

Anyone interested can aid in solving the global problem of deforestation. This can be done by purchasing FOSTER tokens, which will act as a guarantor for planting a tree in one of the countries the project operates in.

The profits of the Foster project will be generated from the tokenisation and trade of CO2 credits. Local communities that cut down forests for cattle pastures and farms would now generate alternative economic revenues by providing areas for forest sustainability, which will be valued by tokenised tree ownership and the generation and realisation of CO2 tokens.



Problems and Challenges

General overview

According to the United Nations Food and Agriculture Organization 2020 report, more than 30% of the Earth's surface is covered in forests. Their importance cannot be underestimated: They provide habitats for almost half of the World's known species, including 80% of biodiversity on land. And that's not to mention that literally all of the World's human population depends on forests, some more than others. Wood and other products obtained from forests provide jobs for around 45 million people around the world, and the reported value of wood removal reached 580 billion USD per year. The unreported revenue was estimated at 124 billion USD in 2011, providing 41 million more workplaces. Non-consumptive uses of forests (e.g., tourism) are estimated to be in the order of 600 billion USD annually, with up to 8 billion visits to forested areas per year.

Forests also play an invaluable stabilising role in preserving the planet's climate. They regulate ecosystems and play an integral part in the carbon cycle. Recent research has uncovered the fact that forests absorb twice as much carbon dioxide as they produce, with a single tree absorbing up to 22 kilograms of CO2 per year, making it the most efficient carbon filtration system on Earth. Currently, the world forests form a "carbon sink" that absorbs 16 billion tonnes of CO2 per year, which is more than three times as much as is produced in the USA.

Not only do living forests absorb twice as much carbon dioxide than they produce, but also half of the land sector CO2 emissions come from deforestation and forest degradation. Even some of the most protected woodlands have become a source of CO2 due to human activity. Trees store carbon dioxide in their branches, leaves, and soil. So, when a tree is cut down or otherwise destroyed, this carbon dioxide is released into the atmosphere. Out of 16 billion tonnes of CO2 sequestered by the forests, an average of 8.1 billion tonnes of it was released back into the atmosphere due to deforestation and other disturbances, contributing to 13% of all global carbon emissions (Rainforest Alliance).

Another factor that contributes to global warming is Albedo - the reflecting ability of a surface. While dark colours, like the green colour of the leaves, absorb solar rays, lighter colours (e.g., sand and soil underneath the destroyed forests) reflect the heat back into the atmosphere, thus further contributing to climate change.

Climate change situation

According to recent research by the Intergovernmental Panel on Climate Change (IPCC),[1] the changes in temperature are observed all over the world, and these changes have been unprecedented over the last thousands and even hundreds of thousands of years. Some of the processes caused by the temperature shifts have already been set in motion and have already become irreversible over hundreds and thousands of years, such as the sea level rise.

1* https://www.ipcc.ch/2021/08/09/ar6-wg1-20210809-pr/

Global warming can lead to extremely undesirable consequences in all areas of our life.[2] Climate change can lead to more severe and frequently changing weather. A warmer climate causes a faster water cycle, thus making wet regions wetter and dry regions even drier. This would cause severe droughts, heatwaves, storms, and floods, not to mention the deterioration of growing conditions for agricultural plants.

Another consequence of global climate change would be the immense air pollution. Rising temperatures increase the level of ground ozone, forming when pollution from factories, cars and other sources reacts with heat and sunlight. The consequences of such pollution can already be observed today: ground ozone is the main component of smog.

The high temperature itself is a severe cause of health problems and deaths across the globe. For example, hundreds of people die due to heatstroke, heat exhaustion and other consequences of direct heat exhaustion and other consequences of direct heat impact or its indirect effects.[3] With global warming, this problem would become more acute. As the temperatures across the world continues rising, so do the health risks, especially for elderly people, children, and low-income communities not able to afford air conditioners.

Rising sea levels, as already mentioned above, are a much more serious threat than has been realised. The average temperature in the arctic regions is rising twice as fast as the temperatures across the world, and as a result the ice is melting much more rapidly. It is estimated[4] that, by

2* https://www.nrdc.org/stories/are-effects-global-warming-really-bad
3* https://www.nrdc.org/sites/default/files/killer-summer-heat-report.pdf
4* https://nca2014.globalchange.gov/highlights/report-findings/future-climate

the year 2100 with the current rates of temperature increase world sea levels would rise between 30 and 120 centimetres, threatening not only coastal systems and entire islands, but also the world's largest cities like Los Angeles, Mumbai, Sydney and Rio de Janeiro. Over the period of 300 years, the prognoses are even more frightening: sea levels are expected to rise by up to 7 meters by the year 2300.

The global warming is dangerous not only for humans, but also for all life on the planet. According to a 2015 study,[5] the global wildlife extinction rate is 114 times faster than it should be, caused by climate change, pollution and deforestation. This also has a direct effect on world's economy: ocean pollution and climate change have increased the acidity of oceans, thus severely impacting all ocean wildlife. For example, acidification is believed to cost nearly $110 million to the Pacific Northwest oyster industry.

According to the report by the Intergovernmental Panel on Climate Change report in 2021,[6] such negative effects of global warming are already affecting the world's population. The percentage of extremely high temperatures has increased in almost all regions of the world; the amount of heavy precipitation has increased in all of Europe and Asia; the number and severity of agricultural and ecological droughts has significantly increased in Africa and Southern Asia.

CO2 emissions

Global warming is caused by a multitude of factors, but the main reason

5* https://www.science.org/doi/10.1126/sciadv.1400253
6* https://www.ipcc.ch/report/ar6/wg1/

for it is the greenhouse effect. The increasing amount of gases like carbon dioxide and methane in the atmosphere prevent the solar heat from escaping the atmosphere, thus heating the surface and the air of the Earth. Carbon Dioxide (CO2) is the main driver of the greenhouse effect. For example,[7] in 2019 carbon dioxide made up 80% of greenhouse gas emissions of the US and played a similar role in most other countries' emissions.

The world has experienced an unprecedented decrease in CO2 emissions in 2020, from 33.4 Gt in 2019 to 31.5 Gt. This is believed to be mostly caused by the pandemic, which practically stalled multiple industrial areas. However, this decrease has been almost nullified by the recovering energy and transportation industries in 2021. Almost 80% of the pandemic decrease was reversed this year, only resulting in a 1.2% decrease compared to 2019.

The prognoses for future emissions are also not encouraging. The synthesis report from UN Climate Change[8] states that the carbon emissions are likely to rise by 16 percent by the year 2030. This completely destroys the goals of the Paris Agreement,[9] that was signed in order to keep the overall global temperature rise below 1.5 degrees. To avoid the global crisis that may be caused by the climate change, humanity should take action as fast as possible to reduce CO2 emissions. This can be achieved not only by cutting the emissions of industries, but also by increasing the carbon absorbing capabilities of the planet.

7* https://www.epa.gov/ghgemissions/overview-greenhouse-gases
8* https://unfccc.int/sites/default/files/resource/cma2021_08_adv_1.pdf
9* https://www.newscientist.com/definition/the-paris-agreement/

Role of forests in climate change

Whereas carbon dioxide emissions are the number one cause of global warming, deforestation is among the biggest causes for such emissions. According to the World Resources Institute research in 2018,[10] deforestation makes up around 8-10% of global CO2 emissions — an amount comparable to the emissions of the whole United States. Moreover, the average amount of CO2 emissions caused by deforestation each year has increased by more than 60% in the last five years compared to the prior fourteen. Apart from their CO2 absorption capabilities, the trees also play a vital role in the planet's cooling in another way — water transpiring. An average tree is more effective in cooling down the air around it than two air conditioning units, with at least 100 liters of water running through each tree every day.

While being the cause of around 8% of world's CO2 emission through deforestation, forests provide up to 23% of carbon mitigation by natural absorption. Despite this fact, only 3% of world's carbon mitigation funding is provided to saving and restoring the forest areas.

Amounts of forests destroyed

Despite the obvious importance of forests for the well-being of the planet and people on it, the amounts of forests destroyed every year is frightening. In the 18th century, the forests covered more than half of the world's habitable land, with 5.5 billion hectares. Since then, the area of

10* https://www.wri.org/insights/numbers-value-tropical-forests-climate-change-equation

forests has decreased by almost 30% - to 4 billion hectares, with almost half of that decrease happening in the 20th century.[11] Since 2010, the world has been losing an average of 4.7 million hectares per year, with 10 million hectares being cut down and the rest regrown. However, with this statistic, as frightening as it is, the situation has significantly improved over the last 40 years. The world peaked in forest loss in the 1980s, with more than three times more forest loss than in the last 10 years. Since then, the deforestation rate has been steadily falling, with some regions even reversing the deforestation. However, the deforestation problem is extremely far from being solved yet i.e., taking only the stop of forest loss into account and not re-growing it to the amounts present in the past.

Measures performed

After realizing the incredible scale of the problem, many people started acting to prevent the forest degradation from increasing even further. Multiple organizations and coalitions were formed to tackle the problem of deforestation, such as the United Nations Food and Agriculture organization,[12] Green Century Funds,[13] Avoided Deforestation Partners,[14] etc. Multiple countries have signed agreements and protocols aimed at reducing the climate change and preserving the world's forests, like the Kyoto protocol[15] or the Paris Agreement.[16] Most developed countries have

11* https://ourworldindata.org/deforestation
12* https://www.fao.org
13* https://www.greencentury.com
14* https://adpartners.org
15* https://unfccc.int/kyoto_protocol
16* https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement

already introduced policies aimed at reducing the number of trees cut down, but in developing countries, where this problem is most acute, the few measures taken against deforestation have shown low efficiency[17].

The importance of deforestation is often underestimated in terms of climate change prevention. For example, Under the UNFCCC and Kyoto Protocol, no climate policies currently exist to reduce emissions from deforestation or forest degradation in developing countries. During the COP26 climate summit over 100 countries representing 85% of the world's forests have committed to ending deforestation by 2030,[18] followed by £14 billion of new funding. Although this sum might seem significant, it is estimated[19] that the sum required for meeting the targets, announced at the 2015 Paris Agreement to tackle climate change, varies between $45 billion and $460 billion per year to protect, restore and enhance forests.

Summary

Taking the above facts into account, it is obvious that humanity must take much more action focused on stopping deforestation than it is now. The measures currently taken against deforestation are starting to change the situation for the better, but it would take much more time, money and measures to reverse the damage that the forests have already taken. The importance of reforestation is critical to preserving biodiversity, avoiding economic crises, stopping climate change and improving the quality of life for all humanity.

17* https://archive.ipcc.ch/publications_and_data/ar4/wg3/en/ch9s9-6-1.html
18* https://www.newscientist.com
19* https://forestdeclaration.org/wpcontent/uploads/2021/10/2021NYDFReport.pdf

Solution

The problem of deforestation has been fought for decades. Countless funds, organizations, and governments are doing what they can in order to stop and reverse the forest loss process. After an extensive study of companies and start-ups aimed at fighting forest loss, we have concluded that most, if not all, of these initiatives lack a number of critical features — these are: **transparency, accessibility, control, and customer motivation**. Therefore, we decided to address these challenges by launching our own project — FOSTER.

Today, most non-governmental initiatives against deforestation are based on various charity funds. Their pipeline is simple: you donate money, and the company spends this money on restoring damaged forests or planting new ones. However, this traditional type of organisation frequently lacks some or all of the aforementioned features:

- Charities provide very limited information on how the money is spent and what trees were planted with the individual funding contributions.
- The donation process is often counterintuitive and complicated, sometimes it is only available for company donation, thereby preventing individuals from donating to a good cause.
- No supervisory authority is responsible for the control of tree planting, which gives such organisations an opportunity for fraudulent activity.

These organisations also only attract people that are directly motivated to help with the problem of deforestation. As deforestation is a problem of incredible importance and people tend to underestimate the gravity of the issue there is a need to generate additional motivation to contribute to the cause.

In recent years, many projects have formed a new approach to tackling the loss of forests — donors are offered the opportunity to buy a particular (or abstract) tree. This model has partially eliminated the transparency issue — a person knows what particular contribution they make. However, until recent years, there has not been a technical solution to provide a donor with specific information about the tree he/she has "planted", and thus transparency has not yet been reached. Moreover, the accessibility, control and donor motivation issues still have not been addressed. Almost none of the organisations have licenses affiliated with controlling authorities, so a customer has no certainty as to whether a tree was really planted and is surviving.

Our project - FOSTER - is designed to eliminate these issues. The use of blockchain technology will allow complete transparency between the company and its customers. Thanks to the use of blockchain technology, every transaction and every planted tree can be easily tracked and verified, with no possibility of any fraudulent manipulations.

The use of blockchain also solves the problem of accessibility — anyone with access to the internet will be able to support the reforestation drive.

We have also ensured that our tree planting and care activities can be easily and reliably verified. In order to ensure this purpose, we are going to acquire an authorized license and partner with the official supervisory authorities in every country where we intend to operate. Currently, we have partnered with Inverbosques, a company that specializes in the management, administration and implementation of integrated and sustainable forestry projects in the Vichada region of Colombia. All of their processes are regulated in accordance with strict principles of sustainable development, with an emphasis on ensuring preservation of the environment in each of the areas of activity, providing communities with the best working conditions and achieving maximum productivity on plantations. This partnership will ensure that every planted tree is properly documented, and the ecological effects of our activities will be confirmed with internationally recognized certificates.

Additionally, we plan to take direct control on all aspects of tree planting, from the purchase of land and its preparation for tree planting, to the certification and the trading of CO2 credits on international sites. This would ensure an even more transparent operation, as an addition to the use of blockchain technology.

Finally, the FOSTER project has been designed to motivate people to contribute to reforestation efforts and encourage others to do the same, thanks to the generous referral program and an innovative way to monetize the use of trees - CO2 capture certificates. The certificates

issued by the independent certifying agency will be tokenized, and the profit from selling these tokens to individuals or companies willing to reduce their carbon footprint will be divided among the TREE tokens owners. This will greatly expand the target audience of the project as initial access is made easy while the impact is valuable.

The structure of the project is as follows:

The initial preparations, including the purchase of land, software development, advertising, marketing, tokenization, etc., will be carried out with the help of FOSTER token.

After the initial preparations are complete, we will start the issuance of TREE tokens. The issuance will be conducted by a company owning a compliant regulatory license. Each TREE token will represent a tree, with 50% of its value spent on the land the tree is planted on, care for the tree for 7 years, salaries for the planting and caring personnel and local taxes.

With the help of Inverbosques, after the trees start absorbing CO2, certificates will be issued for the amount absorbed. These certificates will be tokenized and placed on exchanges in the form of O2PLUS tokens. Each token will represent a certain contribution to CO2 absorption and will be available for everyone willing to pay for such a contribution, namely all the companies required to decrease their carbon footprint.

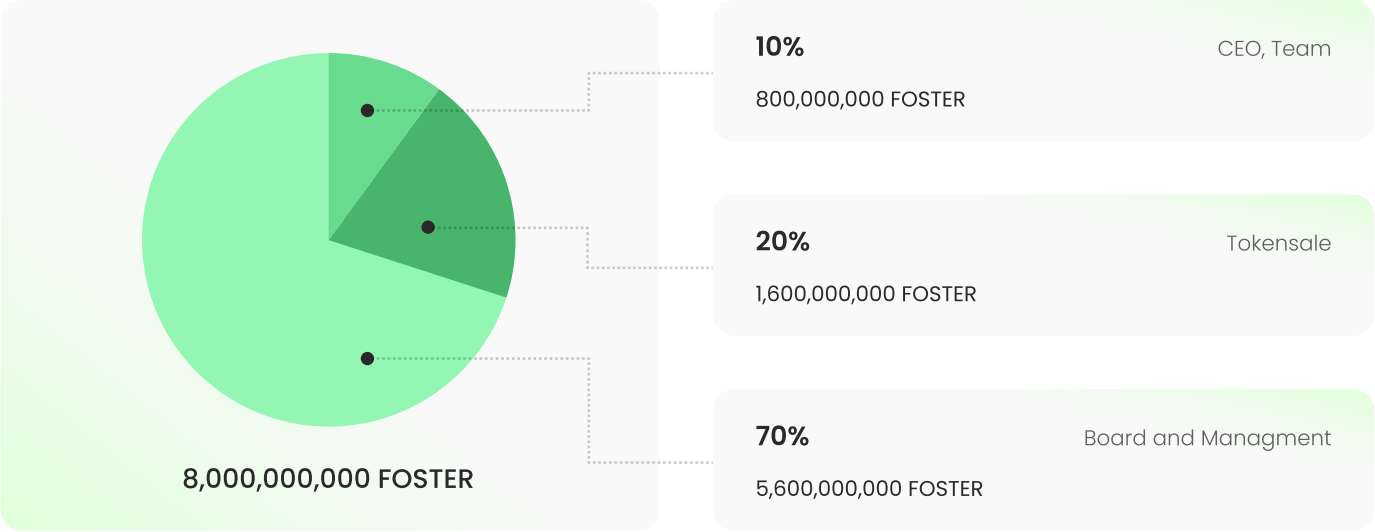
Tokenomics

The FOSTER Ecosystem will contain three main elements

FOSTER token

FOSTER is a utility token, it is aimed at the development of the company, purchase of land, marketing, software development, certificate tokenization, listing on exchanges and other components important for the successful operation of the Foster project.

Total supply is 8 000 000 000 FOSTER, out of which 1 600 000 000 - 20% - is allocated for sale, 10% is allocated to the Core Team, and remaining 70% will be distributed between the Board and Management team.



The sale itself is performed in three steps. The first round of FOSTER sale started on the 11th of June, 2021, where 324 000 000 FOSTER tokens were sold at USDT 0.00125 for 1 token, resulting in 405 000 USDT in investments. The tokens sold during the first round are frozen for 12 months. Based on the data obtained during this sale, we have discovered that there is a huge demand and support for the Foster project: though the circle of investors was relatively narrow, it was diverse and representative, covering people of different gender, income and place of residence.

As a result, the team believes that interest from large investors and a larger audience will continue to grow exponentially because ecology and environmental protection are becoming an increasing focus of interest to absolutely everyone.

The next round is scheduled for January 2022, with 900 000 USDT soft cap. Subsequent round parameters (hard cap, vesting schedule, etc) will be released later.

The last token sale round is scheduled for summer 2022. The lockups and valuation of the project at this stage are subject to further discussion, but those metrics will reflect the progress obtained by the project since its launch.

TREE token

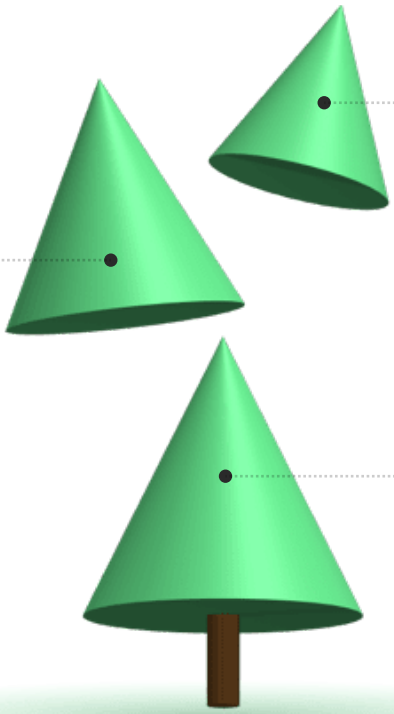
The TREE token is a utility token intended specifically for planting, cultivating, and caring for the tree, with 1 TREE equal to 1 tree.

This token will only be available for purchase on the Foster portal, with the price determined and declared after statistical calculations, registration of the company, purchase of land and data generation.

50% of the FOSTER token price will be spent on land purchase, planting and 7-year care, taxes, and salaries for caring personnel. 20% will be included in the partner program to motivate the extension of the Foster network, and 20% will be intended directly to FOSTER token holders as part of quarterly profit. 10% will be spent on promotion, and partner, top management and consultants' rewards.

30%

Marketing & community growth



20%

Drop to FOS token holders every 3 months

50%

Land, trees, salary fund operation.

O2PLUS tokens

The third type of tokens, O2PLUS, will not have a limited issue, since they will be issued as we receive CO2 credits certificates from our projects. The certificates will be tokenized and placed on exchanges for individuals and companies willing to offset their CO2 footprint. The income from the sale of O2PLUS tokens will be distributed among all token holders: 20% will be handed out to FOSTER token holders, and 80% will be distributed among TREE token holders.

Market Expansion

After the first project is fully launched, our main focus will be the expansion of operation area. Starting in **Colombia**, we plan on extending our tree planting network into multiple countries, including the UAE, Brazil, the Kingdom of Saudi Arabia, Argentina, Paraguay, Georgia, Poland, Slovakia, Czech Republic, and New Zealand. The following countries and their order were chosen as they represent the most straightforward legal environments for the implementation of the Foster project. Countries like Brazil, Argentina and Paraguay, are the ones that suffer most from the loss of forests but have a legal framework that makes it challenging to implement the Foster project immediately. Consequently, legal work must be done in order to successfully launch Foster in these countries. By the end of the year 2022 we plan to plant at least 1 million trees, and by the year 2050 - 100 billion trees, covering 77 million hectares - that is 11 times the area of Georgia or one-third of Saudi Arabia.

Roadmap

FEBRUARY 2021	Idea development
MARCH 2021	Inception of the **Foster** project
MAY 2021	User study
June 2021	First round of investment — **$405,000**
July 2021	Selection of strategic branding partners and shortlisting potential FMCs (Forest Management companies) & potential partner countries
August 2021	Finalization of **1300** hectares land acquisition to begin Foster project in **Colombia**
Q1 2022	Tree planting preparation; mobile app development; climate change summit sponsorship; second round of investments

Roadmap

Q2 2022

Visit to Colombia to update the preparation process;

Potential international partners shortlisting

Q3 2022

The third round of investments;

additional land purchase;

headquarters opening

Q4 2022

Foster sponsored summit in Dubai, UAE;

listing of FOS tokens on DEX & CEX

Q3 2023

5 million trees planted

Team

Jay Hope

Co-founder, and chief operating officer is an experienced leader and entrepreneur. He is a passionate believer in the huge potential of the crypto industry and a passionate opponent of deforestation. He believes that the Foster project will play an invaluable role in saving the planet.

Roman Fritschi

Our chief technology officer, has extensive experience in IT, blockchain, business and entrepreneurship. Having founded multiple companies in various areas, like Grizzly.fi, DeFi platform, Apper, software development company, Nightlifemuseum, international nightlife social media and event platform. Roman has proven himself to be productive and efficient in launching successful products.

Sohalib El Zein

Our business development manager, is a hard-working, knowledgeable and target-oriented professional with an extensive successful sales record. He is able to build and maintain a loyal client base through the use of strong relationship-building skills, and always uses analytical thinking that aids in devising strategies for increased sales.

Mounir Bouaziz

Our advisor and strategic partner in Latin America, is the former commercial vice-president of the Royal Dutch Shell in South America and Africa, with over 33 years of experience in business administration, and is currently the owner of BEE Enterprise DMCC, a company engaged in developing oil, gas and LNG business opportunities in South America, Africa and Middle East.

Jorge Sebastiao

Our team is aided by skilled advisors, including Jorge Sebastiao, a specialist and speaker on blockchain, AI, IoT, cyber security, managed services, cloud computing, big data, and an ICT innovation professional focused on business value with over 30 years of ICT experience, covering, innovation, architecture as well as risk management, compliance, auditing, certification, business continuity & disaster recovery.

Mark Limanov

Is a specialist in entrepreneurship, life sciences, and blockchain, with more than 20 years of experience in business development. He is a professional in the field of strategic partnerships and business negotiations. Using his extensive experience, Mark helps the Foster project in the areas of strategic development and business conduct.

Natalia Quevedo

The Foster project works in close partnership with the InverBosques company specializing in the development, management and investment in agro-industrial and forestry-related projects. Natalia Quevedo, the general manager at InverBosques, is an economist with more than 20 years of experience in the management of companies in the Forest Sector, leading the implementation of Social and Environmental Management in several forest companies and the wood industry in Colombia. She is a member of the Asocarbono (Colombian Association of Carbon Market Actors) board of directors and belonged to the board of directors of Fedemaderas (2010-2016) National Federation of Wood Industry, representing the reforestation companies.

Felipe Gutierrez

The legal issues in Colombia are handled by the Gutierrez Group, a multi-family office that specializes in personalized and client-oriented legal and investment services to foreigners living, relocating or doing business in Colombia.
Felipe Gutierrez, a founding partner and CEO of Gutierrez group, is an international negotiator with more than 40 years of experience in providing professional services in Colombia. He holds an MBA in project management with professional training completed in Medellin, Montreal, Copenhagen and Miami.