

New Dimensions for the TUV in the Webtel.mobi system

Jan Kregel, June 2021

Overview

WM's global clearing house structure – functioning according to the “banking principle” system

The Webtel.mobi (“WM”) system is comprised of advanced telecommunications and programming technology in a Complex Adaptive System. One of the aspects of this system includes offsetting Stored Credit within WM member accounts inside an internal Closed-Loop Members-Only transfer system of debit and credits (Inter Closed Loop Member transfers or payments – referred to as “ICLMs”).

This ICLM facility is similar to the clearing house systems that in the past have been fundamental to the financing of the growth and development of all market economies worldwide. Already identified by economists in the 17th and 18th century, this system has come to be known as the “clearing house” or “banking principle” system, in which economic transactions take place by means of debits and credits to client accounts without the presence or intermediary of any physical commodity, coin or fiat money -- such as bank notes -- required.

Just as this clearing house system has been exploited by all modern, reserve-based, financial institutions, the WM system carries a similar potential to provide the framework for global production, trade and finance. In the WM system, mobile ICLM instructions from clients are executed electronically on a central balance sheet system representing WM member accounts. The system provides for global, multicurrency real time transactions at lower costs and greater efficiency than traditional payments systems, or currently proposed cryptocurrency and other digital currency systems, that carry substantial environmental and security risks.

The basis of the WM system is pre-payment by members for telephony services provided to them. However, while prepaid Stored Credit in the member's WM account can be transferred between and among WM member accounts for the purpose of payment for telephony services, they can also be transferred to other WM members in payments for any other services they might provide. This member transfer facility within the ICLM also provides the possibility of member borrowing and lending, via appropriate credit and debit agreements and instructions.

Since WM and TEL.mobi Group/“TMG”¹ members exist across multiple international currency jurisdictions, their Stored Credit accounts (“Currency Wallets”) have a range of currency denominations. This provides the basis for cross-currency transfers amongst members, as well as cross-currency borrowing and lending. The result that emerges is a global transfer system, a global payment system, a global credit system and a global foreign exchange system, which emanates from the members' instructions transmitted from their mobile telephone accounts for Inter Closed-Loop Member Transfers (ICLMs) amongst WM member accounts.

This complete clearing house equivalent thus provides the basis for services that are equivalent to a global, multilateral, multicurrency transfer, payment and credit system.

¹ 1. TEL.mobi Group: <https://webtel.mobi/pc/info/tel.mobi-group/#TEL.mobi-Group-Overview>

System functionality

Bilateral exchange of credits and debits between members makes a “money” liability redundant

The WM system has two important characteristics that distinguish it from existing financial system alternatives.

The first is that it does not require the creation or acceptance of a private institution's liability as means of payment such as a bank note or deposit; or any digital asset created by the application of a computer algorithm such as bitcoin; nor any government or central bank liability such as a central bank digital currency (CBDC) to function.

Second, while WM's ICLM facility formally provides all the characteristics of a global electronic settlement system, a global foreign currency market system, a global payments system, a global transfers system and a global P2P credit market; these services are not the result of a conscious business plan to create WM proprietary digital financial instruments or a closed access electronic market to trade them. They are rather the expression of the intrinsic attributes of the functionality facilitated by WM's Complex Adaptive System that supports its global telephony business.

It is consequently the WM ICLM facility that provides the global, multilateral, multicurrency, transfer, payment and credit systems functionality, rather than the issue of a particular liability by a private or public entity to serve as a means of payment. Instead of a credit/debit relation intermediated by the liability of a private financial institution, the WM system simply provides electronic facilitation of direct bilateral exchange of debits and credits among members.

Since these functionalities of the WM system emerge from the banking principle structure underlying WM's structural functionality there are no specific limits to the development of additional applications within the underlying clearing house system for offsetting settlement of member debits and credits.

While the applicability of the system to additional activities is inherently unlimited, since its services are limited to the Closed Loop interactions amongst and between members, the prospect for activity expansion is linked to the expansion of the number of members in the WM / TMG network.

As currently configured, the WM system and its ICLM facility might be envisaged as a symbiotic satellite system, or as an “internal” closed financial system with entry and exit portals or “bridges” to and from the “external” financial system. Expansion would then be determined by the net flow into the internal system. This flow will be determined by the public perception of the potential of the WM system defined by the different characteristics of the “internal” WM global financial system equivalent and the “external” global financial system.

As noted above, the two structural characteristics that distinguish the WM system from the current global financial system are the absence of a “money” liability issued by a financial institution -- a bank note or deposit, or computer-generated crypto currency -- to execute payment, and the potential for an unlimited creation of additional financial services. However, the potential benefits to members of these distinguishing structural characteristics may not be easily or immediately recognized or understood due to the current presentation of the WM system.

Structural Characteristic 1

Enhanced security due to “External” asset/credit security levels inherent in “internal” WM capacities

The entry or bridge to the WM “internal” system from the “external” financial system is initially via an electronic transfer of “external” credit from a member’s external, government regulated financial account to the member’s WM account, represented as members’ “Stored Credit” in the WM system. This inward transfer of external assets to Stored Credit takes place via a credit or debit card payment, ewallet payment or direct bank transfer, denominated in any one of WM’s Platform Currencies.

Alternatively, a WM Independent Marketing Agent (Agent) or Virtual Specialized Mobile Provider (VSMP) – who are also members of WM – can make a transfer to their own WM account via card payment, ewallet payment or direct bank transfer in any one of WM’s Platform Currencies. The Agent or VSMP can then -- via their Agent or VSMP Administration Consoles -- use that Stored Credit in their own WM member account to create and issue Digital Top-Up Vouchers (TUVs) to TMG members who want to acquire Digital Stored Credit for their own member accounts on the WM system (this is especially appropriate for unbanked persons).

As currently configured, loading of Stored Credit into WM member accounts takes place via a bridge (the Payment Gateway) that enables transfers and transition from “external” assets held by members in private financial institutions to and into Stored Credit that is “internal” to the WM system. Once this conversion has taken place, external assets lose the physical and visual characteristics of members’ bank notes or bank deposits; and appear as digital representations of the currency and value in the Currency Wallets within members’ WM accounts.

However, even though there is an *appearance* of a physical and visual difference between the “external” system’s bank notes or bank deposits and the “internal” WM system’s Stored Credit, there is an important continuity of structure built in to the WM system, which is not clearly evident to members. This is because although the inward transfer via the bridge transforms a member’s “external” assets to “internal” WM Stored Credit, these “internal” assets/credit are held in a WM bank account at a regulated external financial institution.

As a result, WM Stored Credit remains at one and the same time “internal” assets/credit *and* “external” assets/credit. Moreover, due to this structure, internal Stored Credit is backed 100 per cent with and by corresponding credit in a reserve-backed financial institution, and can therefore always be returned at full value to the external bank accounts of members in the external system via a “Refund Transfer”, or otherwise converted into bank notes in a “Refund Withdrawal” via apposite WM cash withdrawal machines (Stored Credit Refund Machines / “SCRM”²).

Thus although the WM system is not a bank and does not issue payment liabilities, nor is it under financial services regulation, nor does it provide any physical representation of the member’s Stored credit, the currency and value of Stored Credit held within the WM system is no less secure than any external credit held in a regulated external financial institution.

² Stored Credit Refund Machine / “SCRM”: <https://webtel.mobi/pc/info/coming-soon/#SCRMs>

This aspect of the “bridge” allows WM members to benefit from the decreased costs and increased efficiency and capacities of the functionalities of the WM system without incurring any increase in systemic or default risk.

This is because a WM members’ Stored Credit is simultaneously “Internal” and “external” due to it being held in WM’s “external” account at an “external” financial institution -- concurrently with it being registered and available in the member’s “internal” WM member account. WM’s “internal” Stored Credit therefore benefits from the same government support as “external” credit in banks with regard to the covering of loss of assets in regulated financial institutions (banks).

This deposit security characteristic of the WM system, facilitated by the bridge between the external and internal systems, causes WM Stored Credit in member accounts to have all the security of assets/credit in an external regulated financial institution (bank), and simultaneously have all of the advantages of WM’s elevated KYC security systems, more rapid transaction speed, multicurrency holdings, significantly lower costs and global transfer and payment capacities.

This represents a clear benefit to members and a clear advantage over the “external” financial system. However, the current structuring of the WM system and process that appears on the Webtel.mobi Platform does not highlight this advantage, and may not be readily visible or apparent to the majority of WM members.

Structural Characteristic 2

Unlimited global transaction types directly by, in or from WM member accounts

The second structural characteristic previously noted is that the multiple financial service equivalent functions of the WM system emerge from the structural design and functionality of the Complex Adaptive System. An essential aspect of this system is the offsetting of Stored Credit within WM member accounts inside an internal Closed-Loop Members-Only transfer system of debit and credits (the Inter Closed Loop Member transfers or payments -- "ICLMs"). As noted, the structuring of the system is configured to provide for transfer operations, payment operations, settlement operations, credit operations, foreign exchange operations and so forth -- with all this functionality directly integrated into the members' WM accounts, and directly accessible to members.

This brings about a situation where –

- whereas a loan transaction in the "external" financial system (bank) requires participation by, or interaction between, multiple separate entities, accounts and procedures; or
- a foreign exchange transaction in the "external" financial system requires participation by, or interaction between, multiple separate entities, accounts and procedures;
- in the WM system all of these actions and transactions occur and can be carried out by, in or from each member's WM account -- or the WM accounts of multiple members cooperating between each other P2P - only and directly, without the requirement for participation by, or interaction between, multiple separate entities, accounts and procedures.

Since virtually all financial services involve the transfer of claims among persons between different points in time or across dimensional units, the WM system has the potential to replicate virtually all types of financial transactions, utilizing the direct P2P actions currently available from each WM member's account – or the WM accounts of multiple members cooperating between each other.

This represents a significant advantage to WM members, and represents WM's greatest advantage over the external financial system. However, again due to the current structuring of the WM system and process, this advantage is also not readily visible or apparent to the majority of WM members, who primarily view WM as only providing telephony services or simple payments services.

Objective of the TUV project

As previously noted, WM's distinguishing structural characteristics of enhanced asset/credit security and the expansion of transaction types from within WM member accounts are not sufficiently obvious or appreciated by members and the general public because of the current configuration of the WM system and platform. For this reason, in its current configuration, the full extent of WM's capacities would not be able to be understood by the general public.

This would -- if left unaltered -- inhibit the maximum utilization of the full range of the emergent functionality of the WM system among a large percentage of people; who will otherwise utilize it only for its most basic and superficial functions; leaving only persons or entities that function at an elevated level of financial expertise to utilize its advanced and emergent functions.

Paradoxically, to enhance the visibility of the full potential of the WM system will require reinforcing the perception of the "bridge" between the "external" and "internal" systems, to make explicit the role of the bridge in combining the characteristics of the external accounts with the internal WM accounts, in order to highlight the internal WM account's additional benefits.

The objective of the TUV project is thus to reconfigure the existing TUV facility in order to highlight the enhanced security and the inherent unlimited transaction type potential of the WM "internal" clearing system -- and thus its superiority over the current external financial system.

The reconfiguration of the TUV is therefore meant to visibly demonstrate the existing capacities of the WM system, in a format that is more immediately visible, easily recognizable and understood by current and potential members among the general public.

Therefore, the primary objectives of the reconfiguration of the TUV are to --

- emphasize the asset/credit security advantages that the bridge between the external and internal system bring about; and
- assist recognition of the additional benefits provided by the WM system in terms of potentially unlimited transaction types -- combined with lower costs, greater speed, increased security, removal of intermediaries, centralization of all functionality within members' own WM accounts and so forth; and
- enable easy and immediate recognition of these superior capacities, and comparisons thereof against external system products that provide similar services by the general public

In order to achieve this, the requirement is to simplify the appearance and functionality of the TUV, to make it visually conform more closely to the public perception of external assets (bank notes) and make more evident the additional potential functions of the TUVs for potentially unlimited transaction types -- relative to the external account assets.

These amplifications for general recognition of the WM system capacities are even more important because the "external" financial system is also in the process of change. Government regulated financial institutions are being challenged by mobile payment systems, by cryptocurrencies such as bitcoin that seek to replace cash, and by digital payments instruments such as central bank digital currencies "CBDCs" that could displace private bank deposits.

Reconfiguration of “Standard TUVs”

In order to highlight the advantages and benefits of the WM system’s special characteristics as previously noted, the WM system is being reconfigured to enable immediate acquisition and/or creation of TUVs via all members own WM accounts. This will be carried out via use of members’ Stored Credit within their own WM accounts. WM’s Independent Agents and VSMPs retain the capacity to issue TUVs to primarily unbanked persons in exchange for payment in cash. All TUVs will – as is currently the case – be issued to members without any fee or commission.

In order to strengthen the similarity in terms of security and physical representation of TUVs with external assets, the TUV will be given a physical visible format. This renamed “Standard TUV” will be held, and may be viewed, within a new “My TUV” facility in members’ WM accounts. It will have a form similar to standard means of payments such as bank notes, including various serial numbers, keys, etc. which provide ironclad identification protection (see *“Addendum to New Dimensions for the TUV in the Webtel.mobi system”*, page 2).

Thus, the internal end of the bridge becomes the transfer of an external asset to the holding of a Standard TUV in the My TUV facility. The next step will require the member to decide how to use the TUV. Members will be presented with a series of sub-facilities representing the full range of capacities that already exist within WM’s ICLM transfers and payments, currency conversions, currency swaps, settlement, clearance, credit and all other capacities – presented in an easily visible and simplified step-by-step layout.

These two reconfiguration exercises simplify the appearance and consequent understanding of the TUV as an instrument of value, and illustrate the wide range of functionalities and transaction types that can be carried out through the use of TUVs (essentially a simplified replication of the already-existent facilities and functionalities within the WM system).

This reconfiguration will clearly illustrate to members the possibility to convert the currency underlying the TUV’s value into any other currency provided by WM. Thus the TUV represents to the member an instrument of value that is comprised of not just the initial acquisition currency but also -- at the member’s election and instantly -- any other currency provided by WM.

Moreover while traditional external and digital means of payment are specific in terms of use, the TUV provides security against loss, theft, fraud and counterfeiting; ease of storage, accessibility and use; instant global transferability, global settlement and global convertibility to other currencies; low or zero cost of use and 24/7/365 operation of these functions.

Added to this is that although these are applicable to the TUV in the “internal” WM system, the results thereof are simultaneously applicable to the “external” system, because the results can at any time be transferred across the boundary from the member’s account in the WM system to the member’s bank account in the external banking system.

Moreover, the WM system does not employ or require a unique internal monetary unit or standard for its operation. Although a TUV is initially created in the denomination of the transfer or bridge into the WM system, a TUV can always be converted to any existing national currency in order to hedge against loss in value due to inflation or deflation, depreciation or devaluation.

In this format, the “internal” TUV represents visibly the similarity with the “external” system, its clear superiority over all other current systems -- as well as its clear superiority over all other currencies, digital currencies and cryptocurrencies.

Moreover, given the almost unlimited capacities of the emergent properties within the WM system, and in order to expand these properties to cater in a more substantive manner for amelioration of the risks of inflation or deflation, depreciation or devaluation, the reconfiguration of the TUVs is incorporating an additional capacity to provide additional risk-mitigation via the ability to hedge against changes in nominal prices.

This additional capacity is represented by WM’s “Secured TUVs”.

The “Standard TUV” and “Secured TUV”

The “Secured TUV” facility enables the member to use Stored Credit on the WM system to acquire a TUV for the equivalent value and currency of the Stored Credit, and to simultaneously also acquire the corresponding amount of physical gold to the equivalent value and currency (see *“Addendum to New Dimensions for the TUV in the Webtel.mobi system”*, page 3).

This converts the Stored Credit into a TUV and a de facto gold holding (and with the additional capacity to convert the underlying currency of the TUV to another currency at will -- while also carrying over the gold backing for the new underlying currency of the TUV). This is an advantage that no other payment system provides or can provide, and it is -- as are the balance of TUV capacities -- unique to the TUV system.

This expands the attractiveness of the TUV and substantially reduces the benefit of returning -- or desire to return -- the Stored Credit within the TUV to the “external” bank facilities via a Refund Transfer (due to the instant loss of this protective capacity once that is done, as this capacity does not exist outside of WM).

The Secured TUV therefore creates a situation where the same central bank issued currency exists concurrently in two very different formats, each with very different levels of security, protection, value underwriting and capacities as follow --

- The central bank issued currency held in external accounts has the (comparatively) limited levels of security, protection, value underwriting and capacities.
- The same central bank issued currency -- when issued in Secured TUV format -- has all of the levels of security, protection, value underwriting and capacities as that held in external accounts (as it is also held in an external account with WM), but it simultaneously has all of the additional levels of security, protection, value underwriting and capacities of a WM TUV, and it furthermore has the additional advantage of being a gold-backed currency.
- This situation -- where the same central bank issued currency can exist concurrently in two such vastly different formats and with such vastly disparate characteristics -- has not previously existed, nor has it been able to exist previously.

These attributes further expand the TUVs’ a significant advantages over all other currencies, digital currencies and cryptocurrencies in mitigating the risk of loss of economic value due to inflation or depreciation. This is because a WM Standard TUV can be made “as good as gold” as a Secured TUV at no extra cost to the member.

As noted above, one of the benefits of the special characteristics of the ICLM system is the possibility of exploiting emergent properties to develop additional financial services. These developments are represented by WM’s “Smart TUV”.

Emergent properties and “Smart TUVs”

As previously noted, any clearing system functions on the basis of messages transmitted to the clearing house to execute instructions to adjust balance sheet entries. The reconfiguration of WM’s existing capacities into the TUV format is to visibly highlight that these functionalities that allow for executing any type of market transaction in any market sector exist within the WM system.

As additionally previously noted in this document, an important aspect of the WM system is that it does not require “bankers” or broker dealers to execute member instructions. The WM Complex Adaptive System and the reconfigured TUV -- including Standard TUVs and Secured TUVs -- are structured to have facilities and processes that have even better process flows and construction than any other current market system, and they are all centrally managed by WM’s Complex Adaptive System.

Moreover, with the WM system it is no longer necessary to have a specialist or broker-dealer execute the instructions as a middleman. The WM system provides automatic execution for current transfers and exchanges. However, most markets also include systems of deferred temporal implementation or instructions in the form of options and limit orders left with broker-dealers or specialists via a sort of pre-messaging of instructions for subsequent execution.

In Block Chain distributed ledger nomenclature this is what is now called a “smart contract” – they used to be called “contingent” contracts or limit orders with discretionary execution. This process forms the basis for the functioning of all such markets in all market-based economies since the inception of financial markets in the 1600s.

To illustrate WM’s existing capacity to replicate and improve upon all of these “contingent” contracts, or to limit orders with discretionary execution, the final pillar of the reconfiguration of WM’s system into the visibly and easily recognizable TUVs includes the creation of the “Smart TUV” (see *“Addendum to New Dimensions for the TUV in the Webtel.mobi system”*, page 4).

To create the Smart TUV, a series of menus from which to select any and all specific terms or combinations of terms -- which menus are now ubiquitous in e-commerce and other retail distribution systems -- are also being inserted into Standard and Secured TUVs. This enables the structuring and/or execution of any variable of any contract, contingent on any particular or general conditions for fixed or variable periods of time (see *“Addendum to New Dimensions for the TUV in the Webtel.mobi system”*, page 5).

This process flow includes the capacity for any number of members -- as selected by the parties programming the TUV -- to have sight and/or oversight of the TUV and the execution of or adherence to the contract terms via WM’s Complex Adaptive System. Moreover, interactive confirmations and approvals are already part of the WM system through its Multi Factor Authentication and TAN Number Text subsystems.

As an example, utilizing the system of Smart TUVs, enterprising members could undertake the creation of “real” commodities indices, and offer them to other members as inflation hedges -- de facto transposing the current derivative and other markets into the WM system of Smart TUVs in preference to -- or in combination with -- the prevailing systems.

In the preceding example the benefits of a Smart TUV are being assessed from the standpoint of the mitigation of risk from volatility in economic value – inflation or deflation. However, it is obvious that under a set of variable menu selections, a lego-set of possible future conditions and transaction become available when using a Smart TUV.

The Smart TUVs will consequently enable the replication of virtually any existent option, future and forward contract that might be imagined, as well as structured positions comprised of those contingent contracts which could be applied to specific risks, as well as to inflation or deflation risk.

These attributes not only further expand the TUVs' significant advantages over all other currencies, digital currencies and cryptocurrencies as already noted in the previous sections; they furthermore expand their scope to include advantages also over virtually all financial and commercial processes, market contracts and transactions.

Solutions for systemic risk

All payment systems are subject to two types of risk.

The first risk is the failure of the counterparty to complete the transaction, which may be due to technical economic reasons or fraudulent behavior or the failure of the financial institution.

The WM system has the lowest risk of all available payments systems due to the virtually instant transaction transmission and receipt in 1/100th of a second globally with no intervening period.

Fraud is mitigated by the WM system's multiple security levels within it, and due to the fact that a TUV representing a stored credit is at one and the same time internal and external credits by identity -- rather than by value guarantee -- within WM's inherent 100% reserve system.

While a bank may fail because it cannot validate its liabilities, the WM system cannot, since there is always a credit corresponding to any debit.

The second risk and ostensibly more ubiquitous risk is change in economic value.

In layman's terms this is the question long debated by economists of a stable monetary standard, or of gains and losses from inflation or deflation that have a dissimilar impact on creditors and debtors. Inflation benefits debtors and vice versa for deflation and creditors.

This problem of the invariable standard is in essence insoluble, because there is no mechanism in the world to ensure stability in economic value of any specific currency in a market exchange economy based on debt and credit. This is because the measure of such value must be linked to the relative prices of the goods that are exchanged in the system, and thus will change with them.

What is sought in the context of the WM system is a mechanism of protection from changes in economic value of specific currencies that are represented as the underlying value currency of a TUV.

WM's TUV system significantly ameliorates risk in respect of change of economic value through two mechanisms.

Firstly, as already noted, the WM system does not employ or require a unique internal monetary unit or standard for its operation. Although a TUV is initially created in the denomination of the transfer or bridge into the WM system, a TUV can always be converted to any other existing national currency. Consequently, the Standard TUV's mechanism for immediate conversion of the TUV's underlying value into another currency provides a natural hedge of the risk in respect of change of economic value of a transaction in a specific unit.

Secondly, WM's Secured TUV provides the possibility of a gold hedge to the value of the underlying currency of a TUV, at the gold value when the TUV was created. Consequently, the volatility of a currency is compensated for by the expected relatively stable value of gold against the currency -- the amount of the underlying currency in the TUV automatically appreciating in the case of currency depreciation due to the relatively stable value of the gold that backs and secures the TUV. This mechanism thereby ameliorates the risk in respect of change of economic value of a currency (with the Secured TUV also retaining the mechanism to immediately alter the underlying currency if required -- as is the case with the Standard TUV).

These two TUV mechanisms provide a hedge against loss in value due to inflation or deflation, depreciation or devaluation and therefore provide instruments and mechanisms that significantly ameliorate risk in respect of change of economic value.

Comparison against cryptocurrencies

The reconfigured visible format of the TUV also allows for a comparison of the TUV against cryptocurrencies.

Cryptocurrencies have a purely digital existence, have no inherent value of their own, are *not* currencies but rather nonessential speculative retail commodities and which require substantial technical expertise and equipment to verify and manage; including the use of a cryptocurrency exchange to convert across different types of cryptocurrencies and denominations; or to reconvert into reserve currencies as part of a speculative trading process.

WM's TUVs on the other hand are *de facto* currencies, irrevocably equivalent to the value of the central bank issued currency in which they are issued. Their value may be hedged by gold with the simple creation of a Secured TUV if desired, they require no specialized equipment or processes to acquire or create or trade with or manage, they are fully tradable and convertible worldwide on the WM platform, and their value is able to be electively returned by members to an external account, or withdrawn in cash at an SCRM machine.

Cryptocurrencies also suffer from chronic insecurity due to loss of passwords or account keys and the corresponding loss of the asset, commodity price fluctuation, fraud and outright theft – as well as susceptibility to the dangers inherent in any market or for any product whose value is predicated upon the maintenance of artificial scarcity and/or artificial demand.

Comparatively, WM's TUVs have the most robust levels of security that exist, have mechanisms in place that prevent the loss of passwords or TUV Keys, can be protected against commodity price fluctuation, are able to be converted across currencies or backed by gold to ameliorate the risks of currency depreciation or inflation and are impervious to fraud or theft. Their value is not based upon market sentiment or artificial scarcity but rather on the value of central bank issued currency and the stability of the global central banking system – which *de facto* underwrites the value of WM's TUVs.

Moreover, a fundamental difference between the TUV and cryptocurrencies is that a person has to buy a cryptocurrency in a non-recourse transaction – because it is a retail commodity and not a currency, and therefore has a volatile value that is predicated upon market perception and sentiment only, and is not due to any inherent value of its own.

This means that as a consequence of the process by which a cryptocurrency is acquired using assets/credits from an external account, the bridge between the external asset/credit and the cryptocurrency is broken, and the value of the commodity (the cryptocurrency) is therefore only maintained while there is a retail demand for it. If the demand dissipates, the value falls – often to zero.

Any TUV created and remaining in the My TUV facility on the other hand remains a fully backed asset to members because the bridge that creates the TUV is merely a format alteration between external accounts and internal WM accounts carried out at zero cost to members. This is because the TUV constitutes a *de facto* currency, not a retail commodity.

This means that the value of the TUVs transferred to the My TUV facility, less any transfers to a sub-facility to implement telephonic or financial services, remains available at its original value and can always be returned to the member's external account via a Refund Transfer, or can be obtained in cash via a Refund Withdrawal at an SCRM machine. This maintenance of economic value is an important characteristic of the WM system, which is a superior characteristic to any current cryptocurrency system.

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Conclusions and ramifications

All these attributes of the (internal) TUVs that have been evaluated illustrate that they have capacities and possibilities that are superior to the external assets from which they derive and superior to other external currencies, digital currencies, cryptocurrencies or market contracts.

This superiority in function and application -- combined with the simplification of the visual representation of the TUVs in a form distinguishable as an instrument of value -- will remove the perception of any boundary between external and internal assets.

This indicates the possibility for the WM TUV facilities to evolve into an independently-created form of liquidity.

At that point, WM's TUVs would, to a large extent, become fully internal only, in the sense that there would no longer be any need for the refund to external accounts -- or withdrawal -- by members of any Stored Credit held in WM TUVs.

This would be because all desired and required functions of currency, digital currency and market contracts are offered internally according to better terms, security, speed, cost and functionality.

Furthermore a very significant number of functions and capacities that are not available outside of WM from any other entity or process are similarly available (only) internally within the WM system.

When this point is reached, WM will begin to create internal liquidity independently of the external system, and will become self-perpetuating and self sustaining.

Final transition to this state may be supplemented (although purely from a cosmetic perspective since it would be operationally redundant) with measures to provide further physical and visual similarity to prevailing systems. This might be achieved by shifting the WM general external (bank) account from its current position within a third-party bank to a WM-owned external bank.

This would be another way of clearly illustrating the direct relationship and correlation between a TUV and the corresponding asset/credit in an external bank account (which, as previously noted, is not generally recognized by members even though it is already fully existent in the current WM structure). Yet again paradoxically, this would mean that the bridge between external accounts and internal WM accounts is no longer needed, since all aspects of the external system can be more efficiently provided within the internal WM system at much lower cost.

Whether or not a WM owned bank is acquired for cosmetic purposes, given the advantages of the TUV facilities within the WM system, the point will be reached when virtually all members' desired transactions are being performed within the WM system, and members no longer have the need or wish to refund any of their Stored Credit from the internal WM system to any external entity or account.

At this point, there is no longer a need to traverse an external boundary or keep a linkage between external accounts and internal WM accounts, and the WM system will at this point become self-perpetuating, and free of any requirement to have any linkage with any entity whatsoever.

If one considers all of the capacities that already exist and function within the WM system -- of which the TUV project represents only the simplification of the existing appearance and functionality so that most attributes are able to be visually seen, understood and utilized in one medium -- it is clear that the WM system represents and provides virtually all capacities (and/or the ability to replicate virtually all capacities) of the existing global financial system.

Moreover, it provides them in a more secure, more rapid, less costly and centrally managed manner.

It can therefore be taken that the WM system -- including its TUV facilities -- is a replication and improvement of the existing global payments system and global financial system.

At this time, it is electively linked into aspects of the existing system of private financial institutions, but it is by no means permanently dependent on this linkage.

The WM system therefore represents an operational and fully functioning global financial system, which does not reform the existing one, but rather functions in parallel to it, and has the capacity to replace it.

Notes

For further contextualization of the observations in this document, see:

1. *Examples of TUVs in the “Addendum to New Dimensions for the TUV in the Webtel.mobi system”*
2. *The following papers:*

- **ANOTHER BRETTON WOODS REFORM MOMENT: LET US LOOK SERIOUSLY AT THE CLEARING UNION**

J.A. Kregel, Levy Economics Institute of Bard College, Public Policy Brief No 154, 2021

<https://webtel.mobi/media/info/another-bretton-woods-reform-moment-let-us-look-seriously-at-the-clearing-union.pdf>

- **KEYNES’S CLEARING UNION IS ALIVE AND WELL AND LIVING IN YOUR MOBILE PHONE**

J.A. Kregel, Levy Economics Institute of Bard College, Policy Note 2021/1

<https://webtel.mobi/media/info/keyness-clearing-union-is-alive-and-well-and-living-in-your-mobile-phone.pdf>

- **THE ECONOMIC PROBLEM: FROM BARTER TO COMMODITY MONEY TO ELECTRONIC MONEY**

J.A. Kregel, Levy Economics Institute of Bard College, Working Paper No. 982, 2021

<https://webtel.mobi/media/info/the-economic-problem-from-barter-to-commodity-money-to-electronic-money.pdf>

- **MONEY AND CREDIT: POTENTIAL EXPANSION OF THE WM SYSTEM**

J.A. Kregel, April 2021

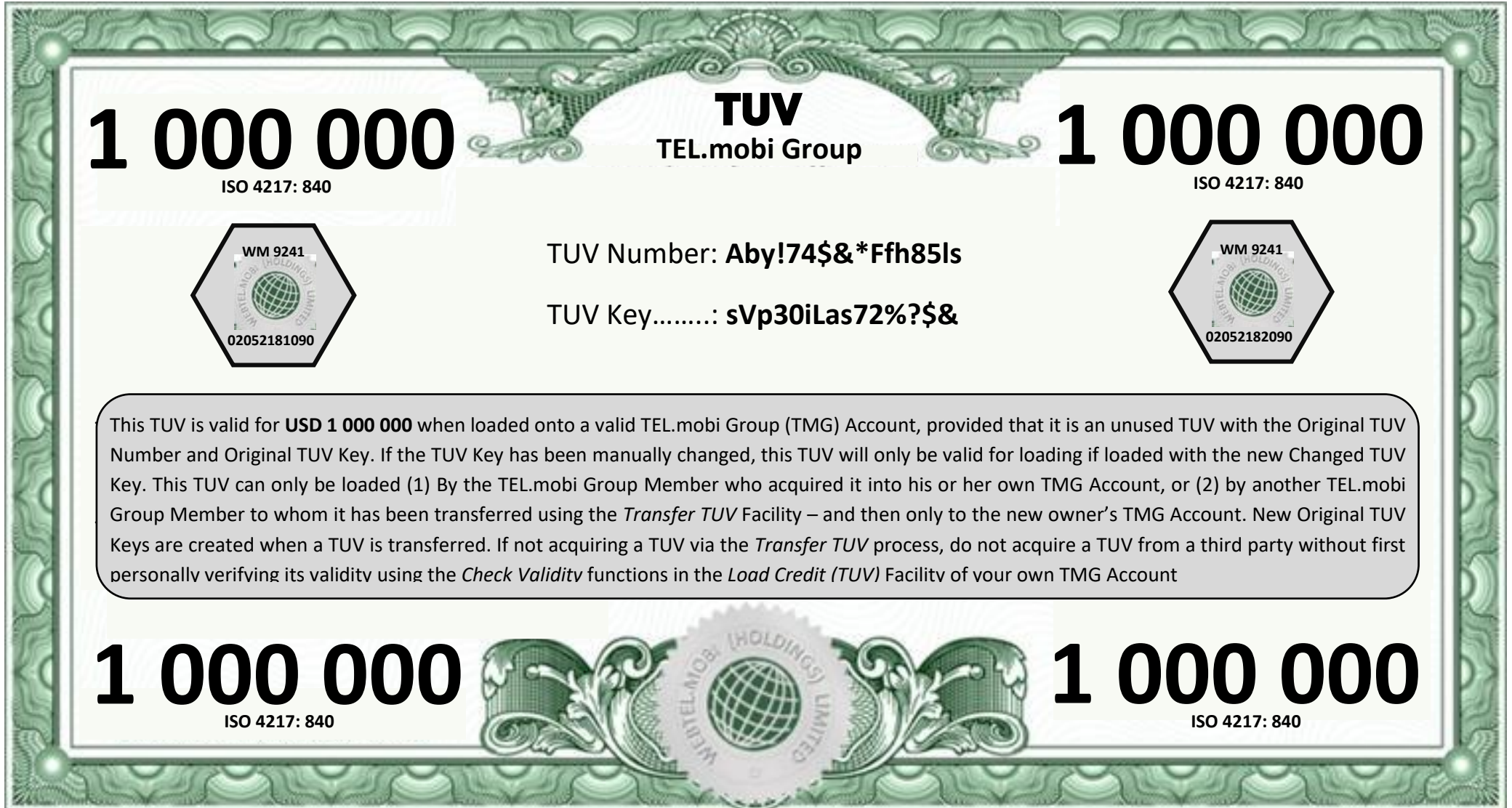
<https://webtel.mobi/media/info/money-and-credit-potential-expansion-of-the-wm-system-april-2021.pdf>

Addendum to New Dimensions for the TUV in the Webtel.mobi system

This is an Addendum to the document entitled
“New Dimensions for the TUV in the Webtel.mobi system”,
by Jan Kregel, June 2021

This Addendum provides visual examples of
a Standard TUV, a Secured TUV and a Smart TUV

Standard TUV - Example

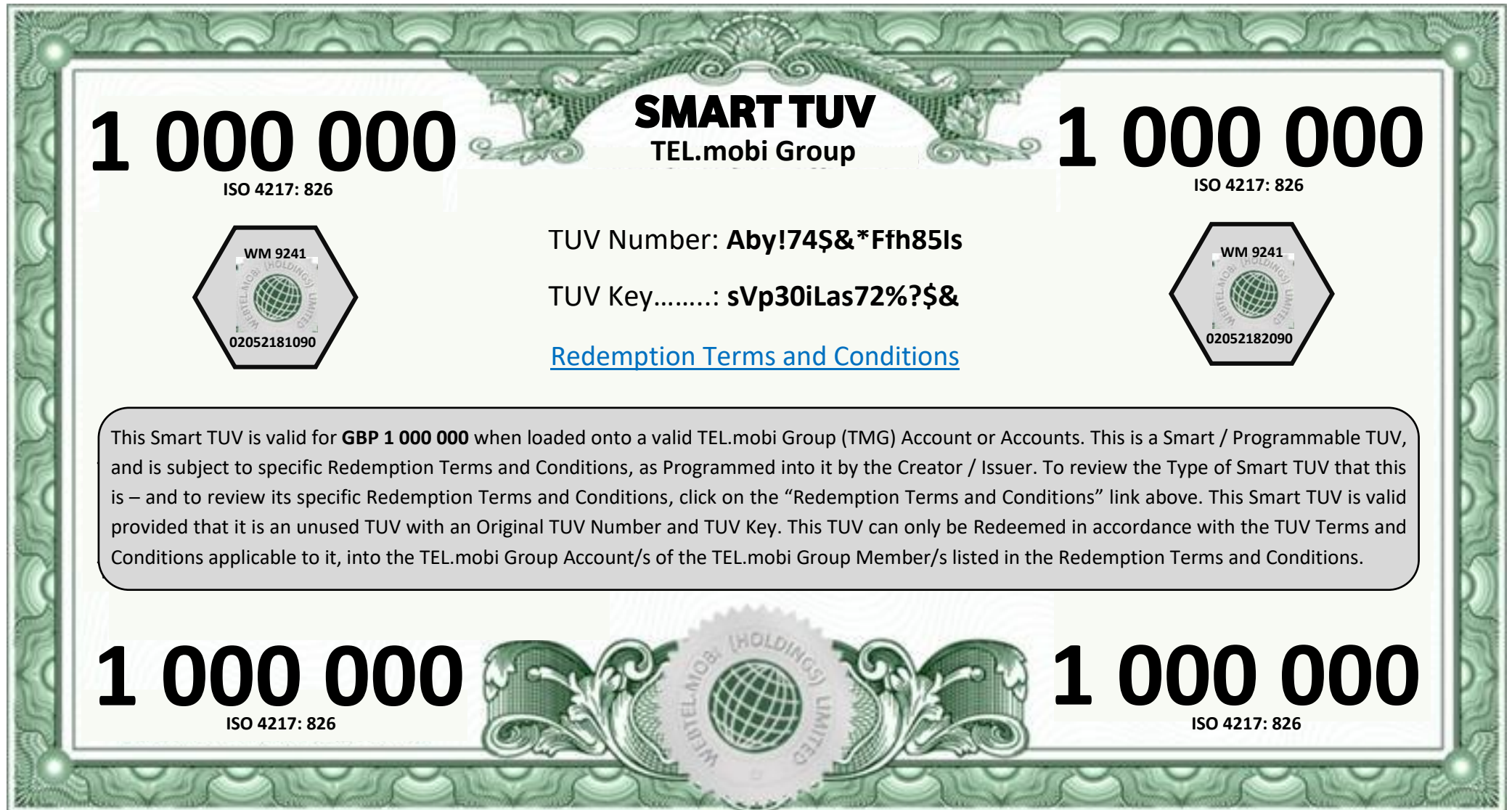


Secured TUV – Example



Note: The Face value as shown in the four corners and in Bold in the narrative section constantly changes to reflect changing value of gold against the TUV Currency

Smart TUV (Programmable TUV) – Example



[Print Smart TUV Redemption Terms and Conditions](#)

To program a Smart TUV:

- Select one option per option block.
- Selected options with refinement capacity for each are displayed once all option blocks have been completed
- Option block selections can be edited at any time prior to creating the Smart TUV

Option Blocks

<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption at a Specific Future Date and Time <input type="checkbox"/> Redemption within the next 24 Hours	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption in Tranches at Set Dates and Times <input type="checkbox"/> Redemption in Tranches at Varying Dates and Times	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption in Tranches of Set Amounts <input type="checkbox"/> Redemption in Tranches of Varying Amounts
<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption Amount Increases Over Time <input type="checkbox"/> Redemption Amount Decreases over Time	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption via Nominated Third Party Confirmation <input type="checkbox"/> Redemption via Multiple Nominated Parties Confirmation	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption to a Single Party <input type="checkbox"/> Redemption to Multiple Parties
<input type="checkbox"/> Not Applicable <input type="checkbox"/> Redemption Currency Unrestricted <input type="checkbox"/> Redemption Currency Restricted	<input type="checkbox"/> Not Applicable <input type="checkbox"/> TUV Currency Alterable before Redemption <input type="checkbox"/> TUV Currency Inalterable before Redemption	<input type="checkbox"/> Not Applicable <input type="checkbox"/> TUV Divisible and Transferrable to Third Party/ies <input type="checkbox"/> TUV Divisible and Non-Transferrable to Third Parties
<input type="checkbox"/> Not Applicable <input type="checkbox"/> TUV Indivisible and Transferrable to Third Party/ies <input type="checkbox"/> TUV Indivisible and Non-Transferrable to Third Parties	<input type="checkbox"/> Not Applicable <input type="checkbox"/> TUV Terms Inalterable <input type="checkbox"/> TUV Terms Alterable with a Nominated Party's Decision <input type="checkbox"/> TUV Terms Alterable with All Parties Consent	<input type="checkbox"/> Not Applicable <input type="checkbox"/> Revoke TUV – Remaining TUV Amount <input type="checkbox"/> Revoke TUV – Full TUV Amount (Before Redemption) <input type="checkbox"/> Revoke TUV – Full TUV Amount (After Redemption)
<input type="checkbox"/> Not Applicable <input type="checkbox"/> Insert Transaction Agreement / Contract / Terms into TUV		

Note: This is a representative selection of the multiple Option Block categories