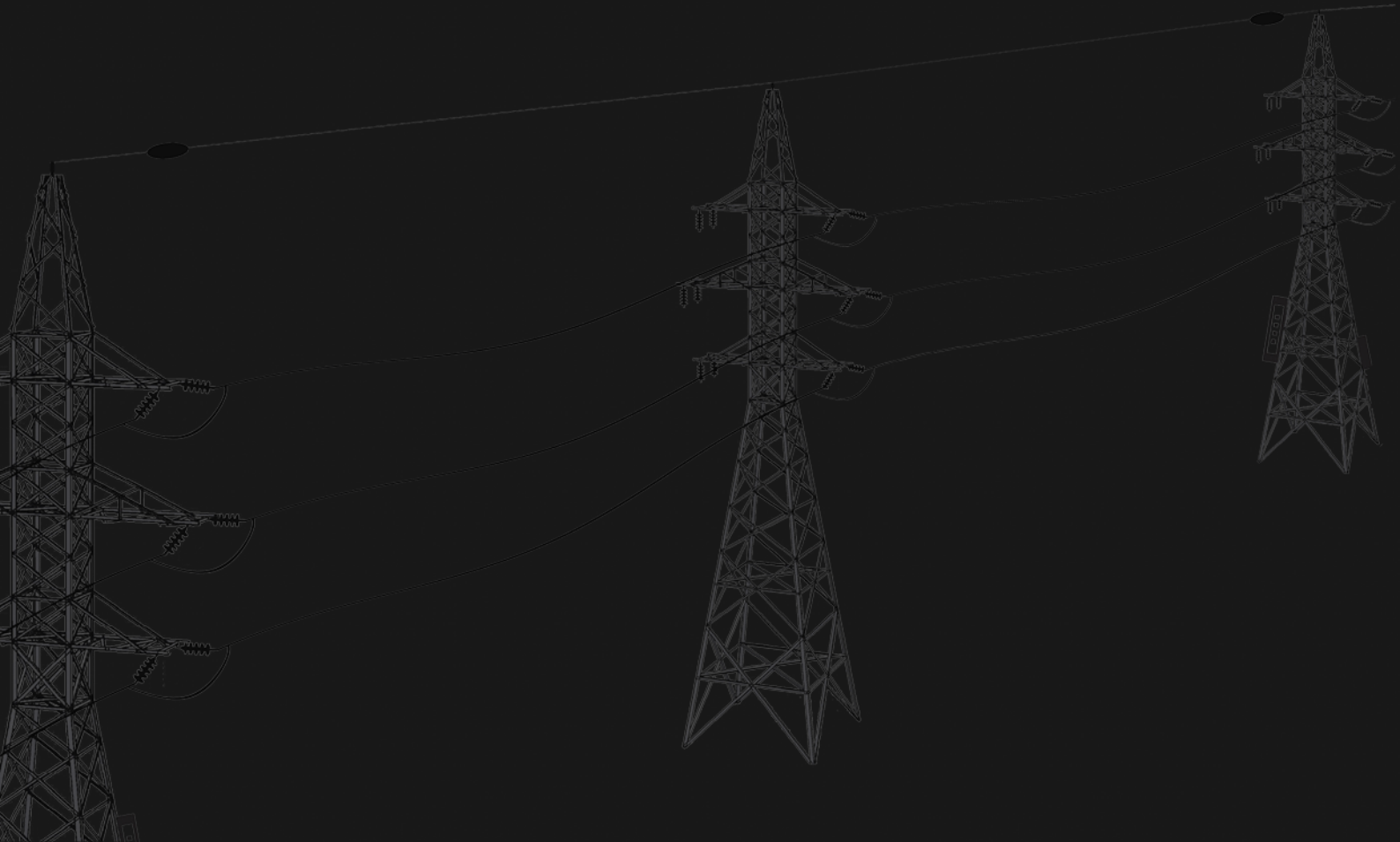




become a part of future
Energy Market now!



Introduction

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Introduction



When electricity supplies spread throughout the country they are provided by a plethora of local private companies, all using different specifications and power outputs, seeking to capitalise on the surge in demand for what is then an 'alternative' energy. In order to maximise uptake, harmonise operating standards and also to ensure the public's safety, government regulation eventually led to state-controlled regional monopolies and common distribution standards of operation.

Following the introduction of such state control, for decades residents and commercial organisations in a particular locality are only able to purchase electricity from one local electricity supplier. It's this fictitious monopoly in its pure form.

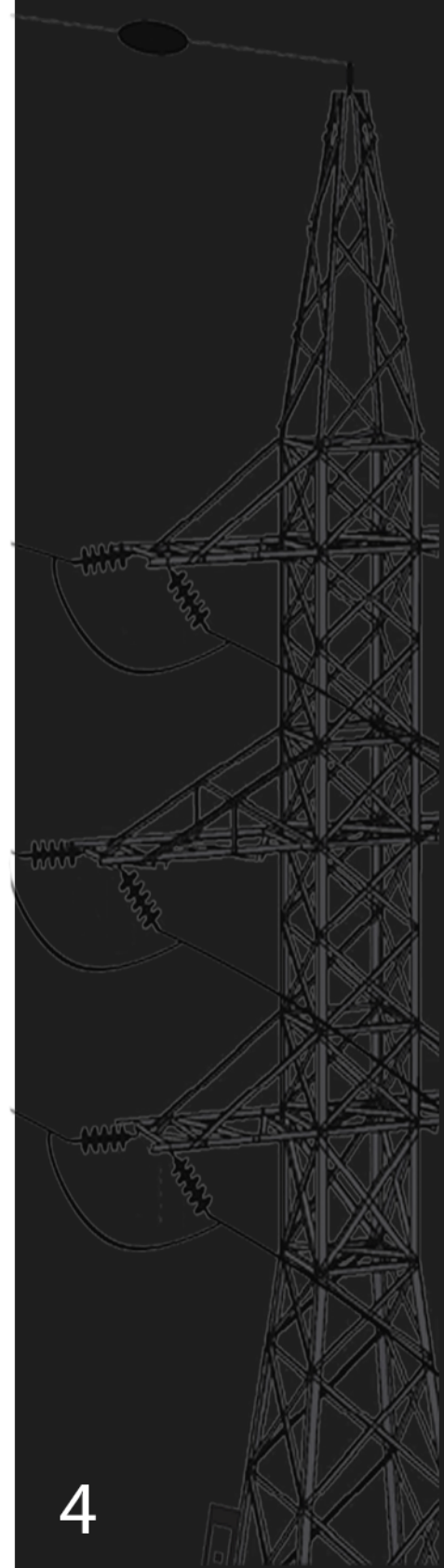
Problems of energy markets

In short, there are at least few major problem areas with current markets and we will introduce you to them. It is not just an issue of providing appropriate incentives for the construction of the flexible market (needed to balance the system in future). Rather, there is the problem in the fundamental form of electricity markets. Neither of the existing approaches to market form seems to offer a robust basis for the way forward.

In very broad terms, there are two models for electricity markets today:

- Decentralised markets along the lines of BETTA in the UK. The aim here is to provide market participants with the maximum possible choice over the ways in which they trade energy. Given the special characteristics of electricity, there is inevitably a residual role for a system operator in overall balancing. However, in these markets primary responsibility for balancing rests with the market participants themselves, using their own resources, various ex ante markets and, ultimately, the central balancing arrangements. Market participants self-dispatch; thus the incentives for efficient operation and investment fall primarily on individual players, which may lead to stronger market signals and disciplines. Participants are likely to value generation flexibility (and often vertical integration) as ways of managing balancing risk. These markets also tend to be less transparent.

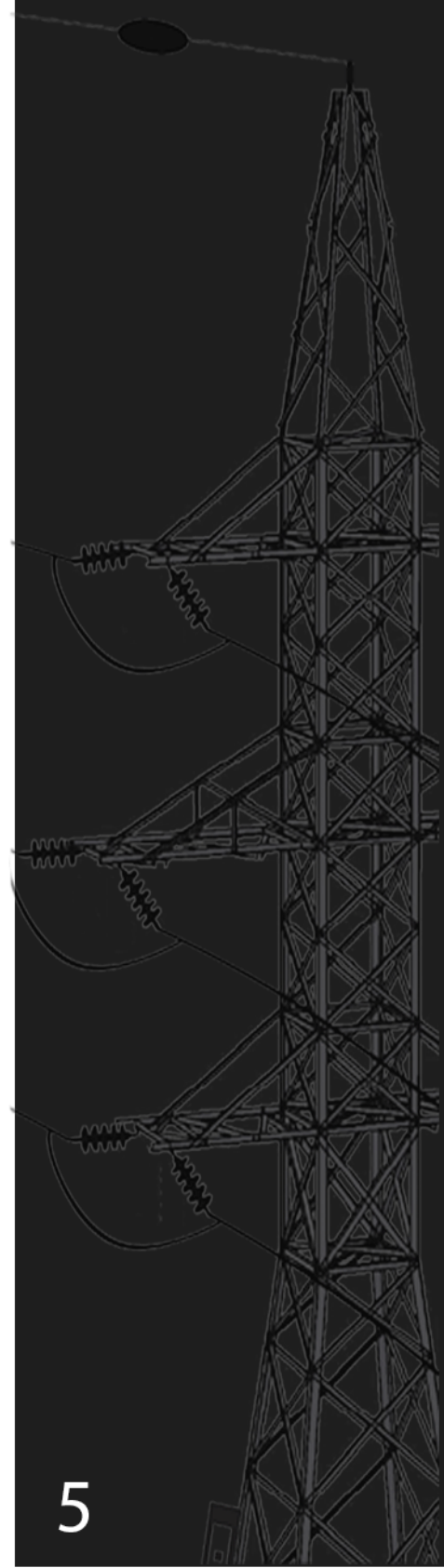
- Centralised markets in the form of Pools. These markets are normally based around central dispatch by the operator, on the basis of bids by participants,



similar to the model set out above. Various forms of Pool are possible. Depending on the precise form of the Pool, these markets are often easier for inflexible plants to access, since generators selling into a Pool do not normally face balancing risk and Pools usually provide a liquid market, reducing offtake risk for investors.

Electricity markets are broken – can they be fixed? In addition to these options for the main markets, there are various possibilities for ancillary markets and, in particular, for capacity or reliability payments. They are not discussed in detail here, though our solution in these areas are discussed below. In any event, the main point arising from the discussion above is that existing market models are unsuitable, in their basic design, for the new generation of plants and that fundamental reform is needed.

As competition intensifies in this price-led market, large energy suppliers are trying to differentiate themselves on other dimensions than price. As often happens in maturing, competitive markets, these companies are also using more sophisticated market segmentation approaches in order to identify the most attractive groups of commercial and private customers to target. One of the main providers of generating capacity, infrastructure and energy distribution opted to use a market segmentation approach in order to help energise its sales and key account managers, and to identify customers groups on which to focus its sales, marketing and customer support developments. The benefits of market segmentation were experienced in implementing the segmentation approach in other sectors.





What we offer

Segmentation is an important marketing tool. If used effectively it can result in the development of products and services that more closely match households' and businesses' needs, inform marketing campaigns so that they can more successfully motivate the populations of interest to action, and lead to faster and more widespread adoption of new technologies. In-depth application of market segmentation has only recently emerged within the utility sector as a way to implement demand-side management programs among residential and non-residential ratepayers. Greater use of this marketing approach could help the state achieve its ambitious energy efficiency and conservation goals.

Segmentation of Energy Market - it's our solution and designation of our coin (next SEM). In the near future, we are beginning to work in the African market, and also we are negotiating with a number of European countries.

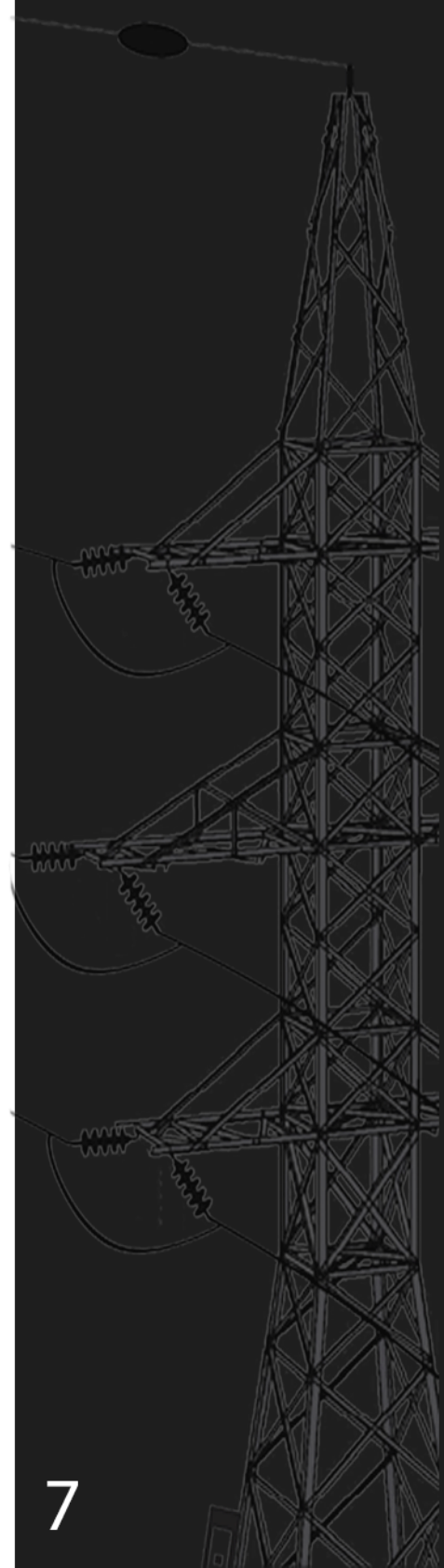
We offer an effective comprehensive integration can provide a number of benefits, including reducing "stranded benefits", and improving marketing cost-effectiveness. However, while certain segments, such as new construction, lend themselves quite well to comprehensive energy management interventions, in general, integration must be carefully matched with distinct segments.

SEM token is a digital asset that will allow you to become a participant in the future SEM platform, support its development and become one of the participants in the open electricity market. Everything will function on the technology of blockade. The calculation on the platform between power supply and energy consuming organizations will occur in it. You will have the opportunity to influence the course of events in the market due to the presence of SEM tokens. More information will be voiced soon.

The main advantages of the modern energy market

Let's have a look at all the details and advantages of such transition:

- Reducing workload of the state regulator. After implementation the following hierarchy is set: local markets report to headquarter of energy market control. While HQ consolidates and structures all the data and shares it with all related authorities.
- Focus on solving regional problems of energy supply. It's obvious that almost in all of the areas electricity network requires constant improvements. Moreover, shortages or surpluses in electricity supply cannot be solved immediately due to their short term and low priority. After localization of energy market these kinds of problems will be addressed and resolved straightaway. Moreover such approach will save the money and optimize the network.
- Unified standards for local energy markets. The only one model of energy market will be introduced across all the areas. In future it will allow to perform purchase and sale transactions by two or more energy markets. No issues with energy or money flows.
- Increase in number of renewable energy sources. Localization will allow for the Ministry of Energy to receive up-to-date reports and statistics, that will help to assess potential decrease in non-renewable sources of energy and shifting to renewable ones.



Roadmap

Q4 2017

Energy market research
Implantation of qualified specialists team
First investments

Q1 2018

Relocation part of the team into Africa
Local research running
Team enlargement
Development of blockchain core for SEM Platform

Q2 2018

Final step of negotiation with potential partners
Release of our project
Implementation of SEM Platform in test mode in certain countries

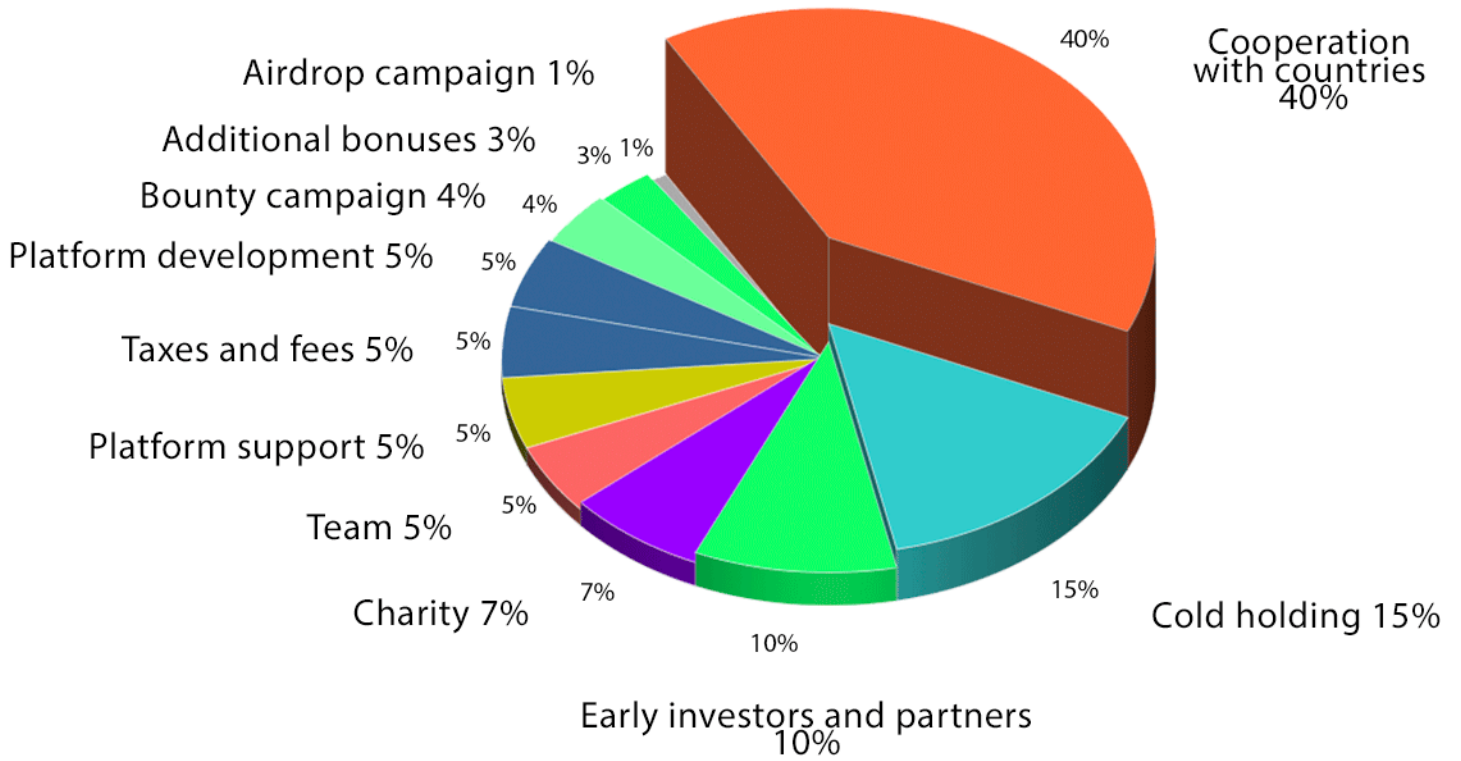
Q3 2018

Total product implementation
Signing of cooperation agreements
Europe energy market expansion
Final release of SEM Platform

Q4 2017

Platform improvement
Implementation and cross-over on own blockchain
Beginning of negotiation with Great Britain

Distribution of SEM Tokens



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