

White Paper

Smart Refinery Technologies

THE WORLD'S SMARTEST REFINERY COINS

v.2.0

The world's first blockchain platform for oil processing industry

Smart Refinery Technologies Group integrates mini oil refineries in a global information network on the basis of blockchain, so that participants can get income from oil refineries located around the world

Project mission

Implementation blockchain technologies in oil processing industry on a global scale

Objectives and basic principles of the project

- Creation of a new business model, for the oil processing industry, based on the Smart Refinery Technologies' (SRT) blockchain platform that will allow for increase in the economic efficiency of the platform participants, by means of automation of business processes, reducing operational and transaction costs, and ensuring transparency and quality of data
- Creation of benefits for the society by increasing the consumers' access to quality motor fuels that comply with modern environmental standards, and also by simplifying the access of oil processing companies to advanced technologies and equipment
- Development of the world's first global network of small tonnage oil refineries, each of which, acting independently, creates economic value for the platform participants
- Active participation of the SRT Club members (owning the SRT-coin tokens) in the development of the platform and receiving revenue from the activity that creates social and economic benefits.

Project concept

The initiator of the Smart Refinery Technologies Group project, initiated in 2012, is a developer and supplier of high-tech oil processing equipment for small and medium-sized oil refineries. The company has developed technological processes and equipment for small tonnage oil refineries, based on new generation zeolite catalysts. The proposed equipment will significantly (often by several times!) increase the profitability of small oil refineries by increasing the oil processing depth and improving the quality of oil products - gasoline and diesel fuels. SRT equipment is easily integrated into existing mini oil refineries, and also allows to rapidly create new production facilities of motor fuels, where there is a need for fuel and an available access to raw materials (oil or gas condensate).

To ensure the rapid development of the network of oil refineries, based on SRT **Group** technologies and equipment, a model of preferential lease of equipment will be applied, with payment of license fees only for the factual volumes of raw materials processed. Thus, oil processing companies will be able to introduce new processes without risks and start making profits within a short time. And the company will be able to obtain long-term sources of revenue in the form of lease payments and license fees from oil refiners.

The most efficient way to realize the business processes within the framework of this concept is using blockchain technologies, automatically collecting information about oil processing equipment's operational parameters and settling the accounts between the participants on the basis of smart contracts, using the crypto-currency of the platform.

Today there is no such blockchain platform in the world, based on which it could be possible to realize a similar business model involving the relationship among equipment suppliers, oil processing companies, and investors in oil processing projects. Existing blockchain platforms do not take into account the specifics of business processes in the industry and do not have hardware integration (**IoT**) with the equipment, which is critically important for the success of blockchain implementation in this sector.

A deep understanding of the principles of market functioning, the company's own technological competence in engineering and supply of equipment to oil processing companies, as well as the experience of implementing IT platforms at manufacturing enterprises and developing blockchain applications, provided the basis for taking the strategic decision to create the first of its kind blockchain platform for oil processing industry, which will function in accordance with the accepted industry standards.

Technical architecture of **Smart Refinery Technologies (SRT) blockchain platform** is based on the principles of creating open source applications that combine templates of smart contracts, toolset for their building, and infrastructure for their operation. SRT platform will work on the basis of **Ethereum**, using **consensus mechanism Proof of Authority (PoA)**

Consensus mechanism PoA in the SRT network is chosen to reduce delays and operating costs. It will be possible to quickly display the status of a private network in a public network, in order to ensure the immutability and integrity of data.

«**Industrial Internet of Things**» (IIoT, «Industrial (manufacturing) internet of things») will be an important component of SRT blockchain platform. It is a distributed network infrastructure, integrated with automatic process control system (ASU TP) of industrial equipment. It will include digital sensors and interworking protocols for assembling the sensors and controllers of the automatic process control system into a local network, and integration into a blockchain. This will allow the automation of collection of data regarding equipment operations, transactions for payment of license fees, and provision of global service support from the equipment supplier's engineering center.

Accounts between the members of blockchain platform will be settled using **SRT-coin tokens (ERC20 standard)**. SRT blockchain platform will provide convenient tools and templates for, creating smart contracts, automatic collection of data regarding equipment operations, settlements of accounts and transactions between companies.

The architecture of business processes and settlement of accounts between the participants of the blockchain platform is designed in such a way as to ensure their compliance with the already existing international laws and laws of countries, where the economic activities will be carried out, including refining of oil at oil refineries.

Due to open architecture of the Platform its features can be used by all interested suppliers of equipment for the oil processing industry, which will open the possibility for them to enter the global market more simply.

In the traditional economy, large companies have the advantage. The rich become richer, because they have greater opportunities. In a decentralized economy, the blockchain creates equal opportunities for everyone. Smart Refinery Technologies blockchain platform will be an effective industry solution that unites a large number of small and medium-sized companies - equipment manufacturers, engineering companies, oil refineries, petroleum product traders.

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Glossary

Smart Refinery Technologies Group Company (Company, SRT Group) is the initiator of the project for creation of an industrial blockchain platform for the oil processing industry, as well as the formation of a global network of small tonnage oil refineries on its basis, and on the basis of innovative proprietary design oil refining equipment.

Smart Refinery Technologies Blockchain platform (blockchain platform SRT, Platform) is a software and hardware package with a free license (open source), IT-platform designed to collect information about the operation of oil refining equipment, to calculate the amount of license fees, to conduct settlements of accounts between participants using the SRT-coin tokens

Proof-of-Authority is a consensus mechanism in a blockchain network. It uses strictly customized system of «rights/permissions» nodes, that are allowed to confirm the transactions (create new blocks) and secure them in the blockchain

SRT-coin tokens – a digital asset, giving the owner the right to participate in the development and functioning of the Platform and to obtain economic benefits from activities performed. The owner of the token receives the right to participate in the Club of active participants Project.

Participants of the platform – Individuals or legal entities that own SRT-coin tokens.

Investors – depending on the context it can be individuals or legal entities that carrying out financial, property and other investments in the creation of oil refineries and/or oil processing equipment or investing in other economic activities related to the Platform. **It either means that Investors may have not any SRT-coin but they may use the Blockchain Platform and get oil processing equipment to use in their facilities.**

Project - depending on the context, a project is a process to create and support the functioning of the Platform, or a global network of oil refineries, working on the basis of the Platform.

Project history

In 2012, a team of enthusiasts led by **Alexey Ognev** launched a project to develop zeolite catalysts and refinery equipment for mini oil refineries.

The research supervisor of the project was Professor, Doctor of Chemical Sciences **Alexander Gaile**, one of the most well-known specialists in the field of petrochemical processes.

The model catalytic process units were developed at Design Company "CB "Soyuz", to solve the most urgent problems of small tonnage oil processing, such as:

Increasing the depth of oil processing,

Production of high-octane gasoline from straight-run gasoline,

Production of winter (arctic) diesel fuel,

Reduction of sulfur content in fuel, to make it compliant with the requirements of modern environmental standards.

In years 2014-2017 the equipment successfully underwent tests under real production conditions, fully conforming to both the technical and marketing concepts of the project, in just 2 to 3 years.

To further develop the project, a strategy was chosen to create a global partner network of small tonnage oil refineries, based on technologies and equipment provided for long-term lease.

Information about Smart Refinery Technologies Group

Smart Refinery Technologies Group is a group of companies that is implementing a project to create an industrial blockchain platform, for the oil processing industry, as well as a project to build a global network of small tonnage oil refineries on its basis, and on the basis of innovative oil processing equipment of proprietary design.

The group includes the following companies:

Smart Refinery Technologies Group (Cyprus) – the corporate center that will act as the holder of objects of intellectual property and the recipient of license fees from oil refiners, including tokens of the project. The company will be registered after the completion of the Pre-ICO phase.

LLC (limited liability company) «Design Bureau «Soyuz» - company that carries out R&D, developer of technologies and equipment for oil processing companies.

LLC «Smart technologies» - company engaged in the production, sale and maintenance of oil processing equipment.

The group, led by **Alexey Ognev**, has been carrying-out activities, related to the development, production, and sales of oil refining equipment, since 2012.

The market problems to be solved

No	PROBLEM	SOLUTION BY SRT GROUP	BENEFICIARIES
1	The complexity of logistics, and high prices of fuel in the regions, which are remote from large oil refineries.	Supply of small oil refineries, on turn-key basis, to the regions, where there is local raw material for processing.	The people and companies of the given regions, with high prices of gasoline and diesel fuels.
2	Low quality of petroleum products and, hence, low levels of profitability for most of the existing small-scale oil refineries.	Modernization of the existing small oil refineries, with new units, performing secondary oil refining: gasoline isomerization, diesel fuel paraffin removal, fuel oil cracking.	Operating mini oil refineries around the world
3	Difficulty to enter the business. High capital costs and long periods of establishment of small processing units (1-2 years), which meet modern requirements for the manufacturing of finished goods.	Terms when the production can be started – starting from two months. Supply of complete sets of oil refineries or units of secondary processing on terms of preferential lease with payment of royalties only for actually processed volumes of raw materials.	Companies and entrepreneurs who organize the production of oil products from scratch
4	The difficulty in administering license fees among small and medium-sized businesses	SRT blockchain platform with automated data collection for each module and updating of the crypto-keys for equipment operation only in the event of receipt of license payments	SRT-coin tokens owners, oil refiners
5	High risks of investment in small business enterprises, especially the ones located abroad.	A network business model, in which revenue is generated from payments from a large number of independent oil refineries located around the world.	Owners of tokens of SRT-coin project

Smart Refinery modules

Catalytic isomerization of gasoline



Ensures production of marketable high-octane gasoline from straight-run gasoline.

Catalytic diesel fuel paraffin removal



Produces Arctic diesel fuel from summer diesel. Lowers the freezing point to -55C.

Catalytic fuel oil cracking

Preparation of light petroleum products (gasoline and diesel fuel) from fuel oil. Increases the depth of oil processing at small oil refineries up to 85%, and raises the levels of business profitability.

From the modules using the principle of Lego construction set, small tonnage refineries are built with an annual capacity of 10,000 to 100,000 tons of processed raw materials.

Also, individual modules can be introduced into the infrastructure of existing mini oil refineries with a capacity of up to 1 million tons per year of processed raw materials, for their modernization.

**SRT Group Lab
Saint Petersburg, Russia**

Pilot-production mini oil refinery, Russia

Manufacturing of SRT Group equipment

**Industrial plant of SRT Group for diesel fuel
paraffin removal**

**Packaged unit of SRT Group for gasoline
isomerization**

**Industrial plant of SRT Group for gasoline
isomerization**

**Packaged unit of SRT Group for gasoline
isomerization housed in a transport container**

Marketing strategy. Marketing.

Gasoline and diesel are in demand everywhere. Oil production and production of motor fuels, on a global scale, are constantly growing, and are not declining even in the period of economic crisis.

Global annual volume of gasoline and diesel fuel production is more than 2.5 billion tons.

The world demand for fuel is satisfied by **hundreds of large oil refineries and thousands of mini oil refineries**. There are many places, where only local, small tonnage, refineries can be an effective solution.

In order to successfully achieve the goal of the project to create a global oil refinery network with a total processing capacity of up to **5 million tons of raw materials per year**, the project does not need to occupy a significant share of the fuel market. It will not exceed **0.2%** of the global market.

Marketing strategy. Supply of equipment and creation of production network of small tonnage oil refineries.

A development strategy for SRT-Group was adopted, based on the results of negotiations with dozens of companies that implement or plan to organize small tonnage oil processing units.

The refining modules are not sold, but are rented for long-term lease, in order to increase the availability of SRT equipment and technologies for the maximum number of market participants.

An obligatory condition for leasing equipment will be the payment of royalties (license fees) depending on the volume of processed raw materials - royalty will be the main source of cash for the purchase of SRT-coin from project participants.

All production facilities on which SRT Group equipment is installed will be connected to a single information network based on the SRT blockchain platform to ensure the interaction of all participants and payments of license fees on a real time basis.

The equipment of mini-refineries will be provided to oil refiners, locally, on the basis of long-term lease at preferential prices, in order to maximize the total volume of refining and the amounts of license payments.

The amount of license fees does not depend on the profit of a specific refining facility, but depends only on the volume of processed raw materials and the rate of license fees (5% of the average wholesale price of gasoline and diesel fuel according to exchange quotations).

The price of the token does not affect its demand for settlements of accounts under license fees - the amount of payments is set in a fiat currency (in US dollars). The number of tokens in a transaction that will match the specified amount in USD will be determined at the market (exchange) rate at the time of payment.

YEAR	Number of oil refineries in the unified network of SRT blockchain platform	Volume of processed raw material at oil refineries, tons	Amount of license fees, \$30/ton
1 st year	2 units	50 000 tons	\$1 500 000
2 nd year	5 units	250 000 tons	\$7 500 000
3 rd year	10 units	500 000 tons	\$15 000 000
4 th year	20 units.	1 000 000 tons	\$30 000 000
5 th year	40 units	2 000 000 tons	\$60 000 000
6 th year	60 units	3 000 000 tons	\$90 000 000
7 th year	80 units.	4 000 000 tons	\$120 000 000
8 th year	100 units	5 000 000 tons	\$150 000 000

Architecture of Smart Refinery Technologies blockchain platform

Basic components of the platform: consensus protocol PoA+IIOT

Technical architecture of **Smart Refinery Technologies (SRT) blockchain platform** is based on the principles of creating open source applications that combine templates for smart contracts, tools for their building and infrastructure for their operation. SRT platform will operate on the basis of **Ethereum** blockchain, using **the Proof-of-Authority (PoA) consensus mechanism**.

Consensus mechanism Proof-of-Authority (PoA) is based on the confirmation of transactions by Validators – independent participants, whose identity is confirmed publicly. The independent participants (owners of SRT-coin tokens), oil processing companies, technological partners (equipment suppliers), and Agents will be the Validators in the SRT blockchain platform.

Initially, there will be 10 Validators on the network, their term of powers will be set for 3 years. The election of new Validators will be carried out by annual voting by active Validators.

The PoA consensus mechanism in SRT network is chosen to reduce delays and operating costs in the network. PoA allows the network to function more efficiently than the Proof-of-Work consensus. It will be possible to quickly display the status of a private network in a public network in order to guarantee the immutability and integrity of the data. The speed and reliability of Ethereum based private PoA networks are fully compliant with the requirements of the oil processing industry, and allow unlimited scaling of operations in accordance with the increase in number of participants, and the amount of data on the network.

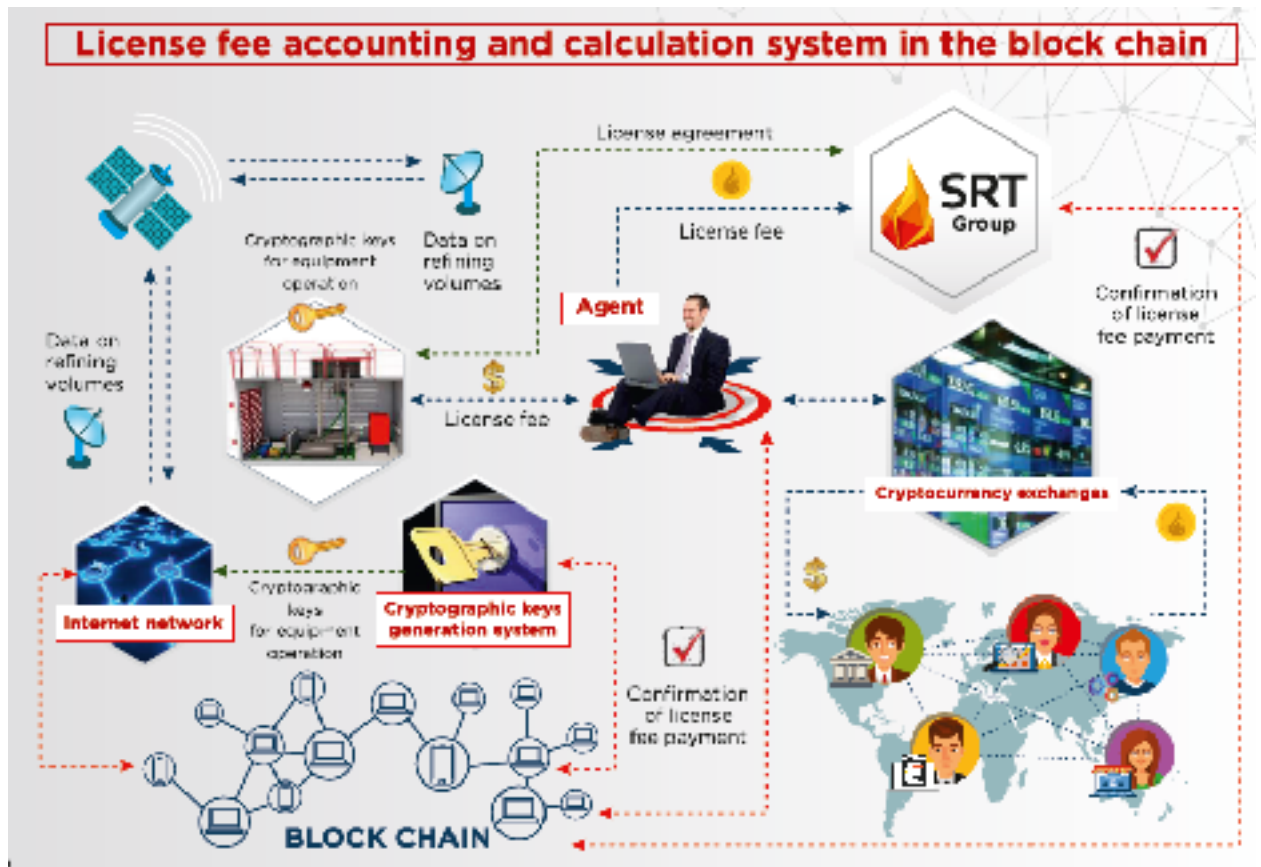
IIoT, «Industrial (manufacturing) internet of things», will be an important component of SRT blockchain platform. It is a distributed network infrastructure, integrated with automatic process control system (ASU TP) of industrial equipment. It will include digital sensors and interworking protocols for assembling the sensors and controllers of the automatic process control system into a local network, and integration into a blockchain. This will allow the automation of collection of data about the equipment's operations, license fees payments, and provision of global service support by the equipment supplier's engineering center.

Settlements of accounts between the blockchain platform participants will be carried out using **SRT-coin tokens (ERC20 standard)**. SRT blockchain platform will provide convenient tools and templates for creating smart contracts, automatic equipment operations-data collection, settlement of accounts and transactions between companies.

The architecture of business processes and settlements of accounts between the participants of the blockchain platform is designed in such a way as to ensure their compliance with the already existing international legislation and legislation of countries, where economic activities will be carried out, including oil processing at oil refineries

The features of SRT blockchain platform can be used by all interested suppliers of equipment for the oil processing industry, which will open the possibility for them to enter the global market more simply.

Architecture of processes and transactions on the Smart Refinery platform



SRT blockchain platform will be capable of fully automatic monitoring of commencement and performance of obligations, to pay royalties, throughout the entire network of oil refineries.

Regularly updated crypto-keys will be necessary for the operation of the equipment (control computer of the system). The validity of these crypto-keys is 14 days. All the oil refineries will have to deliver royalties (license fees) on a weekly basis. In the event of termination of payments by the refinery - the term of validity of the crypto-key expires and the equipment is remotely switched off

Information about the actual volumes of refining is collected from sensors connected to the computer that controls equipment operation (volumetric sensors of consumption, temperature and pressure sensors, voltage sensors for electric motors of pumps and valves, etc.)

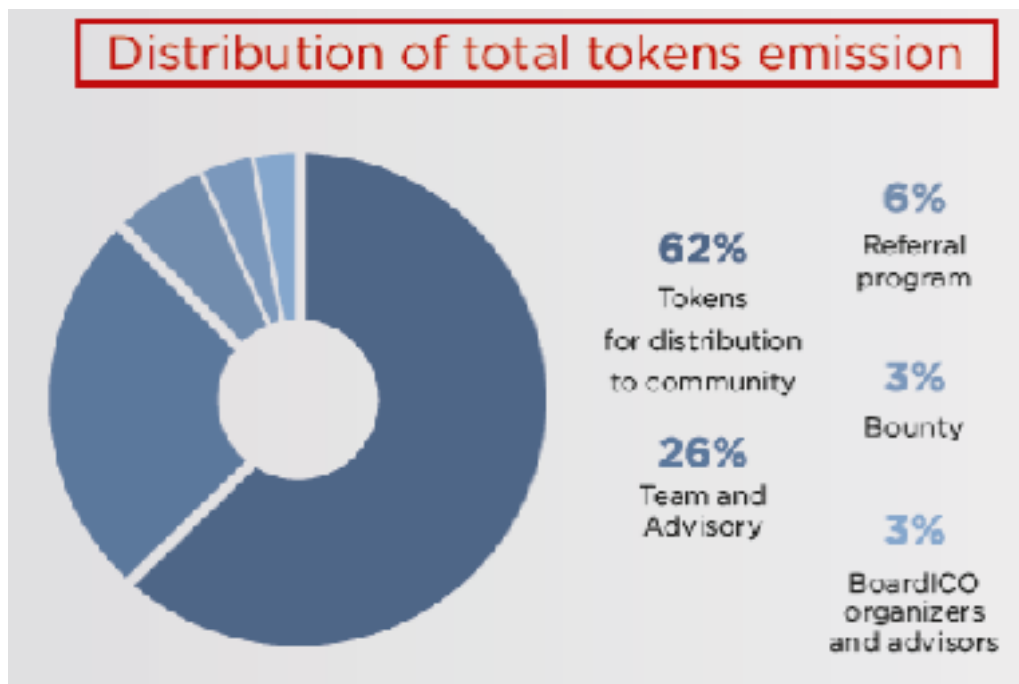
Information enters the blockchain platform through Internet channels. After receipt of payment (royalties) from the company, the relevant information enters the blockchain platform and the crypto-key generation system transmits the new key to the equipment control module.

Thus, the platform participants will have access to reliable data about the overall performance of the oil refinery network, the number of refineries in the network and refining volumes, the volume of license fees, the number of SRT-coins destroyed and the number of SRT-coin remaining in the turnover

Information about SRT-COIN tokens

Symbol	SRT
Platform	Ethereum
Token standard	ERC20
Maximum quantity	100 000 000 SRT , not re-issued
Including those that are distributed to the community	max. 71 200 000 SRT
Tokens of the team and Advisory Board	No more than 28 800 000 SRT, issued in proportion to the number of tokens realized during the ICO
Mechanism for reducing the number of tokens in turnover	80% of the SRT-coin coming from the oil refineries as payment of license fees will be destroyed
Cost of the token	Tokens have no cost
What do they provide	Tokens provide the right to participate in the creation and maintenance of the functioning of the Platform in accordance with the terms of the sale of the tokens and this White Paper
Property rights	Tokens do not provide any rights to the assets of Smart Refinery Group companies or other persons participating in the work of the Platform
Shareholder rights	Tokens do not provide any shareholder rights with respect to any of the Smart Refinery Group companies, or any other company participating in the work of the Platform
Debt rights and obligations of a financial, property or other nature	Tokens do not provide any debt rights and obligations with respect to any of the Smart Refinery Group companies, as well as any other persons participating in the work of the Platform
Rights in case of bankruptcy	Tokens do not provide any property or other rights in the event of bankruptcy of any of the Smart Refinery Group companies, as well as any other persons participating in the work of the Platform
Obligations of token repurchase	No one is obligated to repurchase tokens

Parameters of emission and distribution of tokens

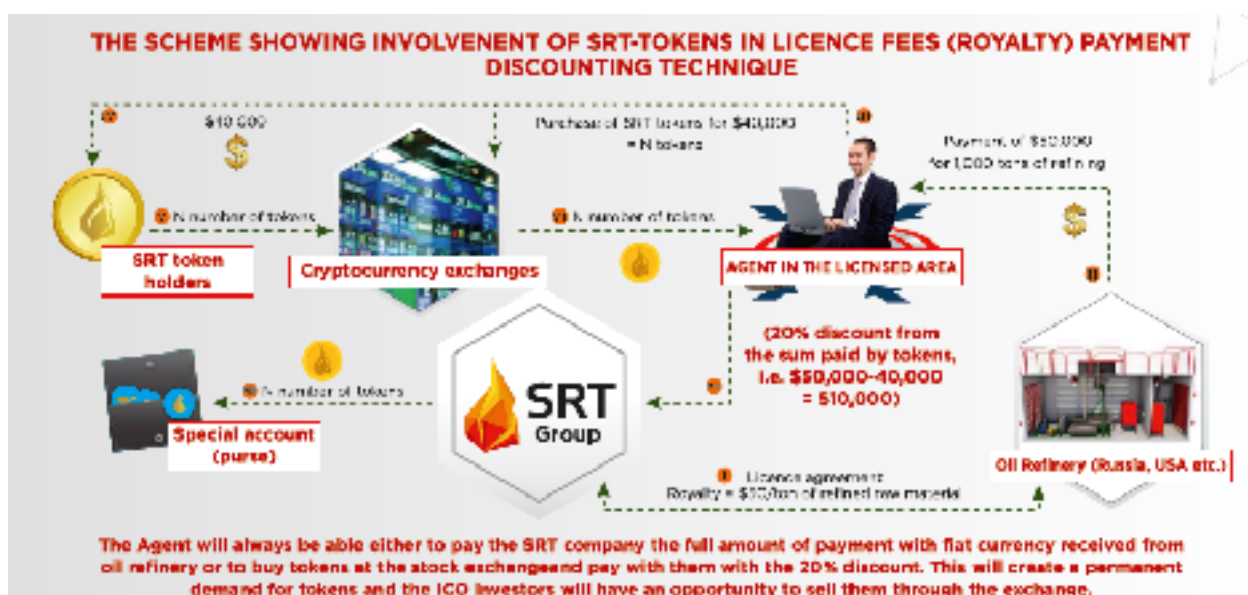


Economic and legal framework of SRT-COIN tokens

Tokens provide the right to receive discounts, when paying license fees (royalties), from licensed production of fuel using SRT Technologies.

Tokens provide the right to realize the license rights on a certain territory, for all intellectual property objects of the issuing company, including those that were by any means acquired by SRT before the ICO (with fulfillment of certain additional conditions **of license agreement**), as well as of other companies participating in the platform

Diagram of royalty payment using SRT-Coin



The Agent will always have the option either to transfer to the SRT Company the full amount of payment with the fiat money received from the oil refinery, or to buy tokens on the exchange and pay using them with a 20% discount. This will create a demand for tokens and the ability for **token owners** to **buy or sell** them.

Using SRT-coin tokens

SRT-coin token is a **utility** token, which will be used in the operation of the blockchain platform of managing license payments of oil refineries, as well as in other ways described below:

1. Payment of license fees in the SRT platform

Companies wishing to become production partners of the platform and receive SRT Group's refinery equipment for lease on favorable terms should be holders of at least 10,000 SRT-coin Tokens. All production partners that are small tonnage oil refineries, will receive SRT Group equipment on long-term lease conditions with an obligation to pay royalties for the volumes of actually processed raw materials. Thus, greater the number of oil refineries connected to the platform, and greater the volume of raw materials processed, resulting in larger amounts of license fees collected.

Payments under the license agreement will be denominated in a fiat currency depending on the provisions of local legislation. In most cases the US dollar will be used as the accounting currency.

SRT Group Company will include into the license agreement a condition that, in case of payment of license fees using **SRT-coin** tokens, **a discount of 20% from the sum of payment** will be provided. This condition will be a direct economic incentive for participants to use tokens and purchase them for settlements of the accounts **inside of Platform**. At the same time, the amount of SRT-coin for the payment will be determined based on the current market price at the payment time, which in turn will be determined based on information about the purchase / sale transactions of SRT-coin on cryptocurrency exchanges or similar public trading platforms.

If the local legislation will not allow oil processing companies to make payments via SRT-Coin, they will be able to deliver royalty payments in fiat currency, to the payment and license Agents, accredited in the system, whereas those registered in areas, where crypto-currencies can be officially used as a means of payment, or such payments are not prohibited by local legislation, will pay in SRT-Coins.

2. Payments for lease of equipment and other SRT Group services

Participants of the platform will be offered mechanisms for paying lease of production equipment and related services (engineering, start-up and commissioning of equipment, replacement (renewal) of catalysts in the production process, laboratory services and services of developing optimal technological regimes depending on the type and cost of raw materials and finished products in order to maximize profits of oil refineries).

3. Possibility of purchasing the goods and services of the platform participants

The participants of the SRT blockchain platform, which may be, including but not limited to oil refineries, oil producing companies, petroleum products traders, logistics companies, filling stations, etc. can accept SRT Coin as payment for their goods and

services. Each of the participants independently takes a decision about this, based on their own interests and goals. The SRT-coin platform will provide the appropriate functionality for settlement of the accounts and creation of smart contracts.

4. The possibility of supporting the development of blockchain community and participation in the development of SRT blockchain platform.

The participants of the SRT platform can, using any means that are not prohibited by the law, support non-commercial, research initiatives and projects using the SRT-coin Tokens belonging to them, in order to develop the SRT blockchain platform, as well as to solve the topical problems of implementing the blockchain Technologies in the business processes of manufacturing companies and service providers.

5. The possibility to use SRT-coin Tokens to support charity, research and other socially useful projects.

The participants of the SRT platform can support any charity, research and other socially useful projects by any means, not prohibited by law, including charitable donations of the SRT-coin Tokens to specialized funds.

6. The possibility to become a member of the Club of Active Participants of SRT-coin project and be rewarded for active participation in the project.

Club of "Active participants" and conditions of gaining bonuses.

Within the framework of SRT-coin project **the Club of Active Participants (further referred to as Club)** will be created. Any holder of a certain number of SRT-coin Tokens, who has passed the verification procedure "KYC" ("Know Your Customer"), will be able to become a member of the Active Participants Club. An incentive fund will be created, especially for the Club of Active Participants, in which SRT-coin Tokens will be transferred in the number of 10% of the total amount of license fees paid by participants of the SRT platform.

At the end of the reporting period (each quarter), these SRT-coin Tokens will be distributed among all Active Participants as a bonus for the implementation of Active Projects.

Receipt of applications for membership in the Club of Active Participants will begin in **September** 2018. In order to carry out the verification procedure "KYC", we will request certain personal data.

The notion "Active Projects" includes performing individual tasks in favor of the SRT-coin project, depending on the role chosen by the Active Participant. A list of such Active Projects and roles is given below, but this list is not exhaustive and may be supplemented in the future. One Active Participant can be registered only in one of the Active Projects at the same time.

I. **"Production partner" .**

Holders of SRT-coin Tokens in an amount of at least 10,000 (ten thousand) will have the opportunity to conclude a lease agreement for SRT Group's production equipment and organize their own business for processing oil and gas condensate into motor fuels.

II. **"Technological partner – equipment supplier".**

Holders of SRT-coin Tokens in an amount of at least 10,000 (ten thousand), who are developers and manufacturers of equipment for the oil processing industry, will have the opportunity to connect to the SRT Group's blockchain platform and organize their own business in the field of sales, leasing and servicing of their oil processing equipment, using the SRT-coin tokens.

III. **«Validator of SRT blockchain platform».**

Holders of SRT-coin Tokens in an amount of at least 10 000 (ten thousand) can become Validators of the SRT blockchain platform and receive a reward for confirming transactions within the platform. Protocol of Proof-of-Authority consensus, which will be the basis of the SRT blockchain platform, is based on

the confirmation of transactions by independent validators, whose identity is publicly confirmed and known to the network participants.

IV. Role of license Agent.

This role is available for holders of SRT-coin Tokens in an amount of at least 1,000 (one thousand) and it assumes the fulfillment of functions of the license Agent of the SRT platform. The license Agent, with the appropriate written consent (Agency Agreement) and the corresponding written power of attorney from SRT Group, will receive the right to conclude licensing agreements with the Production Partners.

V. Role of payment Agent.

This role is available for holders of SRT-coin Tokens in an amount of at least 10,000 (ten thousand) and assumes the fulfillment of functions of a payment Agent of the platform. The payment Agent receives license fees from the production partner in a fiat currency, after which it makes payment in the blockchain platform using SRT-coin. To conduct the transaction, the payment Agent acquires the required number of SRT-coin Tokens in the crypto-currency exchanges.

VI. "Legal adviser" role.

This role is available for holders of SRT-coin Tokens in an amount of at least 1,000 (one thousand) and assumes the fulfillment of functions of a legal adviser of the SRT platform in the country of residence of the Active Participant, namely:

- Analysis of legislation and writing of legal opinions on legislative regulation of the crypto-currencies and SRT platform activities;
- Contacts with state authorities, receipt of written explanations about legislative regulation of the crypto-currencies and the activities of the SRT platform, on the issues of obtaining licenses and other approval documents for the SRT platform;
- Contacting local banks and agreeing to open bank accounts for SRT platform purposes;
- Analysis of judicial practice and the building of a legal position on the issue;
- Organization of issuance of powers of attorney for performing representative functions;

VII. **"Marketing consultant" role.**

This role is available for holders of SRT-coin Tokens in an amount of at least 1,000 (one thousand) and assumes the fulfillment of functions of a marketing consultant for the SRT platform, namely:

- Pre-project research and analysis of SRT platform activities;
- Analytics and description of the business processes of SRT platform, providing advice on doing business;
- Development of corporate regulations, instructions, terms of reference and various accompanying documentation;
- Conducting business trainings and consulting participants of the SRT platform on a given topic;
- Providing suggestions for search optimization of the site and search promotion, which includes internal optimization of the site and external optimization (SEO);
- Advertising on the Internet (contextual and banner advertising), development of banners;

VIII. **"Public relations consultant" role.**

This role is available for holders of SRT-coin Tokens in an amount of at least 1,000 (one thousand) and assumes the fulfillment of functions of PR manager of the SRT platform, namely:

- Development and implementation of the PR strategy for the SRT platform;
- Interaction with the mass media;
- Writing of articles, press releases;
- Organization of interviews, press conferences and presentations;
- Drawing up PR-activity plan, and media plan;
- Monitoring of competitors;
- Analysis and evaluation of the efficiency of the activities carried out;
- PR on the Internet, involving the creation of news, press releases and articles, as well as their publication on various sites in order to promote the SRT platform.
- Loyalty formation, communication of information about the SRT-coin project, and attracting Internet users to the site;
- Advertising in social networks, online communities and forums;

- Video advertising, development of video clips.

IX. «IT-evangelist (Technologies evangelist)» role

This role is available for holders of SRT-coin Tokens in an amount of at least 10 (ten) and assumes the fulfillment of function of the IT evangelist of the SRT platform, namely:

- Writing and publishing articles.
- Blogging.
- Conducting seminars and webinars.
- Conducting demonstrations and presentations, including public speeches at specialized conferences.
- Negotiating with potential users of the platform.

X. «Service partner» role.

This role is available for holders of SRT-coin Tokens in an amount of at least 10 (ten) and assumes the fulfillment of function of a local service partner for SRT Group equipment, namely:

- Assistance in the adjustment and technological launch of SRT Group equipment;
- Service and maintenance of equipment;
- Order of spare parts and components for equipment;
- Rendering consultations to technical specialists of oil refineries.

Active participants, fulfilling the following roles: Legal adviser, Marketing consultant, Public relations consultant, IT-evangelist, at least once a quarter, will receive assignments from the SRT-coin project coordinator. To receive a bonus from the incentive fund, such participants will have to provide confirmation of the fact that they have completed the assigned task. Depending on the specifics of such a task, one of the following can serve as a confirmation of completion:

- Scanned copy or original of a required official document;
- Document with analysis or opinion in Word or PDF format;

- Screenshot (snapshot) from the computer screen;
- Video recording of an event or video clip;
- Other means of confirmation that the coordinator deems necessary based on the context of the assigned task.

If there is no confirmation of the fulfillment of the task, the question of the bonus payment will be taken individually by the SRT platform management. At the same time, an Active Participant, who does not submit a confirmation of the assignment, can be denied the payment of bonus.

An active participant receives a task from the SRT-Coin project coordinator only if at the time of receipt of the assignment, there is sufficient number of SRT-coin Tokens in his wallet, for the role he chooses.

The amount and terms of the Bonus payment for the fulfillment of assignment is announced by the project coordinator before issuing an assignment. Acceptance by an active participant of a job means their unconditional acceptance of all the terms of the assignment, the determination of the amount, and receipt of the Bonus.

If Active participants do not fulfill their roles or violate the rules of Active participation (for example, it turns out that the participant is a citizen of a country for which registration as an Active participant is not possible), then the status of such participants can be withdrawn without settlement of any bonuses.

An active participant can be an individual or legal entity, meeting the requirements for membership in the Club, provided that participation in the Club is not a violation of the laws of the country of which he is a citizen or the country in which the company is registered and operates.

Each person wishing to become a member of the Club is required to independently determine the legality of his participation in the Active Members Club and the fulfillment of tasks on the proposed terms and conditions, having received the necessary and comprehensive consultation of qualified lawyers in all matters related to the participation in the Club.

In case it is necessary to receive additional explanations about the Club's rules and tasks proposed for fulfillment, the Participant is obliged to send a request to the Project Coordinator or SRT platform support through communication channels that unambiguously confirm the fact and the time of receiving such requests and then the participant should wait for an explanatory response before the fulfillment of any activities related to membership in the Club or the performance of the assignment.

If after obtaining the status of an Active Member (membership in the Club), the laws of the country, of which the Active Member is a national or in which a company with an Active Member status is registered and operates, undergo amendment, prohibiting or restricting the possibility of participation in the Club or conflict with the Club's rules or with the rules of fulfillment of tasks (including during their fulfillment by the Participant),

such Participant shall promptly notify the SRT-Coin Project Coordinator, shall terminate the assignment fulfillment and terminate its membership in the Club.

Circulation of SRT-coin tokens in stock exchanges.

Presence of SRT-coin at crypto-exchanges will increase a transaction efficiency and makes them the best use within Blockchain Platform SRT Group.

Conditions and factors of influence on SRT-coin token exchange rate.

SRT- coin tokens will be necessary for oil refiners or their Agents

The equipment of mini oil refineries will be provided to refiners locally under long-term lease conditions at preferential prices in order to increase, by maximum level, the total volume of refining and the volume of license payments in the SRT blockchain system.

If the payment to SRT Group is made not by fiat currency but by the SRT-coin tokens, then the payer will get a 20% discount from the payment amount, so oil refineries (or their payment agents) will prefer to buy tokens on crypto-exchanges and pay with them, because it will be profitable for them

The amount of license payments does not depend on the profit of a specific refining industry, but depends only on the volume of processed raw materials and on the license fees rate (5% -10% is planned) out of the average wholesale price of gasoline and diesel at exchange quotations.

The price of the token does not affect its demand for payments under license fees - the amount of payments is set in a fiat currency (in US dollars). The number of tokens in a transaction that will match the specified amount in USD will be determined at the market (exchange) rate at the time of payment.

The higher the volume of refined materials, the higher the demand for tokens to pay license fees

It is expected that every year the number of refineries with SRT Group equipment will increase, and the total volume of refining will grow.

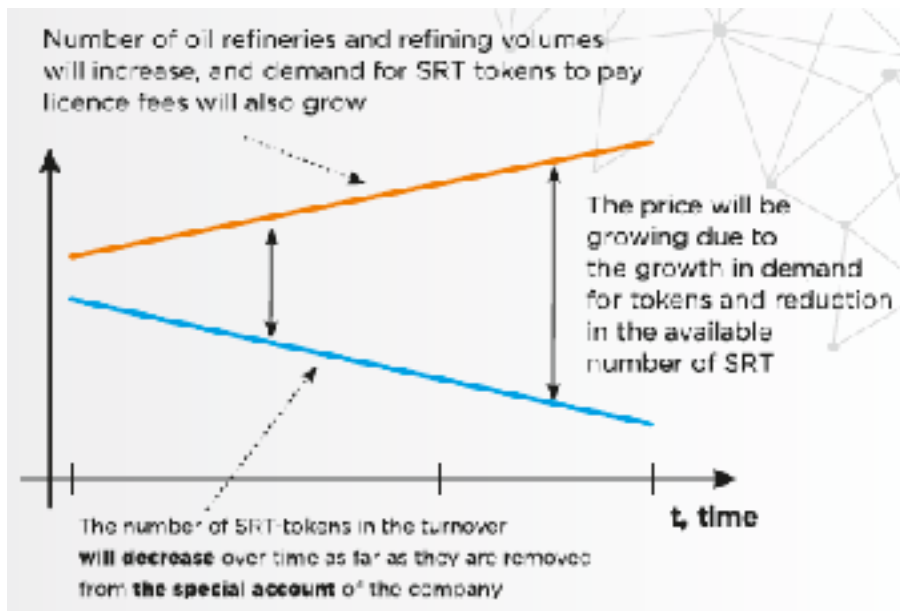
As the refining volumes grow, and the so does the amount of payable license fees, the greater will be the number of tokens needed to service the payments.

YEAR	Number of oil refineries in the unified network of SRT blockchain platform	Volume of processing of raw materials at oil refineries, tons	Amount of license fees, \$30/ton
1 st year	2 units	50 000 tons	\$1 500 000
2 nd year	5 units	250 000 tons	\$7 500 000
3 rd year	10 units	500 000 tons	\$15 000 000
4 th year	20 units	1 000 000 tons	\$30 000 000
5 th year	40 units	2 000 000 tons	\$60 000 000

6 th year	60 units	3 000 000 tons	\$90 000 000
7 th year	80 units	4 000 000 tons	\$120 000 000
8 th year	100 units	5 000 000 tons	\$150 000 000

The used tokens will be partially withdrawn from circulation, with the remaining ones becoming more expensive.

About 80% of tokens received as license payments for a smart contract of the SRT blockchain platform will be destroyed (withdrawn from circulation), with daily decrease in the number of tokens available for purchase.



So the increase in the number of participants - oil refineries using the SRT Group equipment and payment Agents, as per the company's opinion, will lead to an increase in demand for SRT-coin Tokens.

Road map of the project

2012

Start-up, the building of the research and engineering team of the project to develop technological solutions for secondary refinery processes for small oil refineries, which became the basis of the Smart Refinery project.

2013

Development of catalysts for the processes of gasoline isomerization and diesel fuel paraffin removal. Successful laboratory tests.

2014

Creation of mobile unit-containers. The concept of rapid launching of production in any place on a turn-key basis based on SRT modules.

2015

Beginning of production tests at real oil refineries. Development of a catalytic fuel oil cracking unit for increasing the depth of oil processing at small refineries.

2016

Continuation of research, improvement of catalysts. Receiving requests for the installation of production modules from oil refiners situated in Russia, the United States, Kazakhstan, Iraq, etc.

2017

Development of a blockchain platform for the automated management of license payments for each Smart Refinery production module that will operate worldwide.

2018

SRT-Coin ICO. Start of operation of the blockchain platform. Supply of equipment for modernization of partner oil refineries in Russia, Kazakhstan.

3Q/2018 – Launching of refineries in Russia (1-2).

4Q/2018 - Submission of patent applications, conclusion of contracts with partners, commencement of buying out of tokens.

2019

Launching of oil refineries in the USA (2) and oil refineries in the Kazakhstan, Iraq, Bangladesh.

2020+

Creation of a global network of oil refineries (Russia, Kazakhstan, Uzbekistan, Turkmenistan, USA, Canada, Mexico, China, India, Indonesia, Iraq, Syria, Egypt, Libya, Algeria, Nigeria, Angola).

Project team

ALEXEY OGNEV

CEO, co-founder

Alexey is the head of the Smart Refinery Technologies project for development of oil processing equipment since 2012. He is the founder and director general of Design Bureau «Soyuz». Under his leadership, the team achieved great success in the development of the project, developing and offering, to the market, innovative technologies and equipment for mini oil refineries. He actively participates in the development of technological processes, and R & D work.

For over 5 years he has been doing international business with China, comprising of deliveries of oil processing and industrial equipment.

Graduate lawyer. He graduated from the Siberian Institute of Law and Management

ALEXANDER GAILE

Research supervisor

Doctor of Chemical Sciences, Professor.

He is a professor at the Department of Technologies of petrochemical and coal-chemical industries of the Saint Petersburg Institute of Technologies (Technical University) since 1977. Author of more than 400 scientific works, including 30 monographs and manuals, 70 copyright certificates and patents, and received many state awards. As a scientific adviser, he prepared 26 candidates of science and two doctors of science.

He is one of the most prominent scientists in the field of petrochemical processes. Author of more than 400 scientific works. Thanks to his work in the project, the technologies of SRT Group significantly outclass the competitors.

ALEXANDER PONOMAREV

Co-founder, Business Development Director

He is a highly experienced in project management and business development in manufacturing and IT. Since 2015 he is commercial director of KB Soyuz (member of SRT Group)

NICKOLAY VYAZOVICK

Head of blockchain platform development

For more than 15 years he has been successfully managing IT projects related to software development and implementation of IT-platforms in business processes of manufacturing companies. He has experience in blockchain-development since 2014. He is the chief ideologue and architect of the Smart Refinery Technologies blockchain platform.

VITALY KUZIK

Technical director

He has more than 20 years of professional experience in oil processing. He supervised the construction of 5 mini-refineries in Russia, Armenia, Belarus, and Iraq. He hired and trained production personnel of the factories, and organized their work.

IVAN OGNEV

Head of production

He has five-year experience in organizing the production of Design Bureau Soyuz's equipment. He organized the assembly and installation of process equipment. He has experience in repairing technological equipment on the territory of PJSC ROSNEFT facilities, Angarsk fuel and petrochemical refinery. He graduated from the Angarsk State Technical University. He graduated as an engineer.

MIKHAIL RATASEP

Chief design engineer

More than 10 years of professional experience in the development of oil processing equipment, and oil processing. He is one of the founding members of the project, before that he worked as an engineer at "Rosneft-Project". He is the author of two patents for refinery equipment for mini oil refineries. He graduated from the Saint Petersburg State Technological Institute. A graduated engineer. Candidate of Technical Sciences.

KLIMENTII KUTSUEV

Process Engineer

He has over 12 years of experience in oil processing, working in the structures of "Gazprom Neftekhim Salavat". He worked his way up from the operator of refinery

process units to the head of the department of petrochemical production. He has extensive experience in managing projects for the modernization of processing units in operation, production, and introduction of new production processes. He graduated from the Ufa State Oil Technical University majoring in chemistry and fuel Technologies. A graduated engineer. Candidate of Technical Sciences.

Disclaimer statement

The information contained in this White Paper may not be complete. The content of the document does not imply any elements of a contractual relationship, is not binding on the Company and can be changed in the future as the SRT ecosystem is designed and developed.

White Paper does not contain investment, legal, tax, regulatory, financial, accounting or other recommendations.

White Paper should not be considered as the only true, comprehensive basis for evaluating transactions for the acquisition of SRT-coin.

Nothing in this White Paper can be regarded as an investment appropriation request, nor should it in any way be regarded as an offer to purchase any securities in any state jurisdiction.

This document is not subject to any state jurisdiction that prohibits or in any other way restricts transactions involving crypto-currency.

A number of statements, assessments and financial data, contained in this White Paper, are forecasts, not actual information.

In view of the number of unknown risks and other uncertainties associated with the project, its actual performance may differ considerably from the forecasts given in this document.

The company does not offer or distribute SRT-coin, does not conduct business within the framework of regulated activities in the United States of America, the People's Republic of China, the Republic of Korea, the State of Israel, the United Kingdom of Great Britain and Northern Ireland, the Republic of Singapore and other countries and territories where transactions or the use of digital tokens and currencies are subject to prohibitive measures or require the Company to be registered, licensed with one or the other government agencies.

SRT-coin is not offered, distributed or otherwise alienated to persons, who are residents or are registered in the United States of America (including all states and the District of Columbia), the People's Republic of China, the Republic of Korea, the State of Israel, the United Kingdom of Great Britain and Northern Ireland, the Republic of Singapore, as well as in countries or territories, where operations with crypto-currencies are prohibited or in any way restricted, **except in cases where the acquisition of SRT-coin those explicitly (and, if necessary, on an individual basis) approved by an authorized person SRT Group..**

The acquisition, by such persons, of SRT-coin will be regarded as illegal and unauthorized and committed contrary to the will of the Company, as well as in violation of the rules and conditions for the acquisition of SRT-coin **except in cases where the acquisition of SRT-coin those explicitly (and, if necessary, on an individual basis)**

approved by an authorized person SRT Group... Such actions may lead to negative consequences in accordance with laws applicable in a particular jurisdiction.

The company draws the attention of every potential holder of SRT-coin to the fact that White Paper is granted on the grounds that the reader is an authorized person to read the document.

Each potential holder is given the right to independently assess the legality of the acquisition and making other transactions with SRT-coins on the basis of laws and other acts that are applicable in their jurisdiction, both in case of their acquisition from the Company and in case of resale and other transactions with them.

The English language White Paper is the main official source of information about the SRT-Coin project. As a result of the translation of this document into other languages some of the information may be lost, damaged or distorted. Translation accuracy is not guaranteed. In the event of any inconsistencies and conflicts between White Paper translations, its official English version shall prevail. Prior to participating in the project, we strongly recommend each potential participant / holder to consult with a personal legal, investment, tax, accounting or other advisor for a qualified and comprehensive analysis of legal and financial risks, calculation of potential benefits and other consequences of such participation and / or any transaction, and to carefully study the information given below.

Project risks

The acquisition of SRT-coin is associated with a high extent of risk. A number of factors can have a significant negative impact on both the cost of SRT-coin and the entire SRT platform.

The following list of risks and uncertainties that may be encountered by SRT-coin owners, is not exhaustive.

Risks related to the cost of SRT-coin

Absence of rights, application areas, functional features and other attributes

SRT-coin tokens do not grant any rights, have no application areas, functionality or special features, other attributes, explicit or implied, including any ways of use, purpose, functionality, attributes or special features of the SRT platform.

SRT-coin is not an instrument for owning any of the Company's assets and cannot be treated as an intangible asset.

The company makes no commitments, does not guarantee to the owners that SRT-coin gives their holders any rights, has areas of application, functionality, attributes or special features.

End of the SRT-coin market development

Since there was no open SRT-coin market before, it is possible that the launch of the project may not lead to the formation of an active or liquid SRT-coin market. The market price of SRT-coin may be unstable.

Despite the anticipated demand for SRT-coin, it can happen so that the active market would not be formed or would cease to develop. As a result, the owner will not be able to timely sell or perform some other operation with SRT-coin.

In the worst case scenario, the market will not be formed or will soon cease to exist, and the holder of SRT-coin will lose the opportunity to realize them.

Speculative risks

Evaluation of crypto-currency in the secondary market is often not transparent. The cost of SRT-coin can fluctuate greatly within a short period of time.

There is a significant risk that the SRT-coin holder may lose his/her entire funds as a result of SRT-Coin depreciation.

Risk of value loss

The company does not guarantee the value of SRT-coins and does not predict their liquidity. The company does not bear and should not bear any responsibility for the market value of SRT-coins, and their liquidity.

Impossibility of return

The company is not obliged to buy out SRT-coins or in any other way to reimburse funds to their holders, for any reasons.

No guarantee of the value of SRT-coins is provided and it will never be provided, including the fact that their intrinsic value is not guaranteed.

Therefore, the return of the funds may not be possible. In addition, it may be restricted by laws and regulations different from the laws and regulations applicable to the holder of SRT-coins.

Risks of blockchain and software

In the blockchains like Bitcoin and Ethereum, production of blocks can occur at random times, so there is a risk of untimely performance of smart contracts. The owner should be aware of and take into consideration this probability. It is possible that Bitcoin and Ethereum blockchain can be unable to process the transaction in the time of waiting by the buyer, and thus the buyer can receive the SRT-coin not on the same day, when the action necessary for this was performed. Bitcoin and Ethereum networks are subject to overloads, during which transactions can be postponed or lost. Some individuals and groups of individuals can deliberately overload the networks, trying to gain an advantage.

All the properties and the forecasts of the SRT ecosystem and the SRT-coin cryptocurrency set out in the current White Paper have not been tested in practice. Their development may face insurmountable technical difficulties. It is possible that the SRT platform will not function, or it will work not as expected. SRT-coin may not receive the claimed functionality. In addition, because of the high speed of innovation development, the SRT platform may become outdated and lose its relevance during the development process or shortly after launch.

Security risks

Risk of personal key loss

SRT-coin can be kept in a digital wallet or storage that require a digital key or a combination of digital keys to access. The loss of keys associated with a digital wallet or storage will result in the loss of access to its balance. Moreover, a third party that obtained access to private keys that the holder uses to access the wallet or storage will gain access to the SRT-coins contained in them. Subjects of the Company are not liable for losses caused this way.

The shortcomings of the security of infrastructure of the company and SRT Group blockchain platform

Hackers, other groups and organizations may try to intervene in a smart contract or other aspects of the functioning of SRT-coin and the SRT blockchain platform in various

ways, including, among other things, malware attacks, denial-of-service attacks and other common methods of disrupting normal functioning of digital services.

Failure to connect open cryptographic keys to the account of the owner.

In case if the owner of SRT-coin does not provide access for connection of open crypto-keys to their account, this may lead to the fact that a third party would not be able to correctly recognize the amount of SRT-coin in the owner's balance in the Ethereum blockchain at the time of formation of the initial balances of the new blockchain, created on the SRT platform.

Incompatibility of crypto-currency wallet

The wallet or storage service provider of crypto-currency used by the owner must be technically compatible with SRT-coin. Failure to do so may result in the owner of SRT-coin not gaining access to their SRT-coin.

Risks of development of platform and SRT project

Risk of dependence on third parties

Even after the launch, SRT will rely, wholly or partially, on third parties for the adoption and implementation of certain functions, as well as for continuing the development, maintenance, and support of the platform. There is no guarantee that these third parties will do their job properly.

Dependence of the platform on the team of developers

The results of the activity of the SRT project team, which is responsible for maintaining the competitiveness of the entire ecosystem, depend, to a large extent, on the composition of the team. The loss or weakening of members of the management team or the inability to attract, retain, and maintain additional staff can have a significant adverse impact on SRT. The demand for experienced personnel, which is relevant to the tasks of the Company, is high because of the small number of qualified professionals. The shortage of personnel seriously affects the ability to attract additional qualified management personnel, which can have a significant negative impact on the platform.

Absence of interest in the platform

Even if the platform is completed and launched, the success of the platform depends on the interest and participation of third parties. Their interest cannot be guaranteed.

Risk, connected with the other projects

The platform can lead to the creation of alternative projects promoted by non-affiliated third parties.

Other factors

The development of the platform and the implementation of the Project can be terminated due to lack of funding, key personnel leaving, lack of commercial successes and prospects, as well as other factors.

Risks connected with the business of the company

Conflict of interests

Subjects of the company may be involved in transactions with affiliated entities. Conflicts of interest may arise both within the Company and between the Company and affiliated parties. Interest of parties may lead to the conclusion of transactions on terms that are not concurrent with market conditions.

Risks associated with operating in emerging markets

The company or some of its subjects can conduct professional activities in emerging markets. Countries belonging to this group are subject to high risks, including significant legal, economic and political risks.

Government risks

Crudity of the regulatory framework

The legal status of cryptographic tokens, crypto-currencies, other digital assets and blockchain Technologies, remains unregulated in many countries. Predicting how soon and in what way the state authorities will begin to regulate the distribution and use of these assets, as well as the Technologies of blockchain, is not possible. Changes in the legislation may adversely affect the Company as a whole and the prospects for the technologies developed by it in particular. A company may stop distributing coins and developing the platform or to stop operating in a specific jurisdiction in the event that such actions are deemed illegal or if legislative changes make them economically impractical.

Inability to obtain, maintain or extend licenses and permits

Although, as of the date of this document, there are no requirements set by the law, which would oblige the Company or the owner of SRT-coin to obtain any licenses and permits, necessary for conducting operations with digital assets, there still is a risk that such legislative requirements will be introduced in the future. Regulatory authorities may put forward requirements for participants in the circulation of the crypto-currency, including the requirements for compliance with various standards, obtaining licenses for operations with crypto-currency, identification, providing reports. In this case, exchange trade of SRT-coin can be suspended for an indefinite period.

Risk from the state regulatory authority

The industry in which the Company operates is new and may be subject to increased supervision and control. The Company's property and operations are regulated by the instructions of various state authorities and subject to annual inspections. The inspection authorities may decide that the Company has violated laws, decrees or regulations and cannot refute these findings or correct violations in a timely manner. Failure to comply with the requirements of existing laws, and instructions obtained from the results of inspections by government authorities, can lead to significant sanctions from fines and to administrative or criminal prosecution of company officials. Decisions of state authorities, requirements, sanctions - any increase in government regulation of the Company's activities may increase the Company's expenses and adversely affect its activities.

Illegal or arbitrary actions of public authorities

Sometimes public authorities show a high degree of freedom. Under the influence of commercial or political considerations, they act selectively, arbitrarily, without prior notification or in an order contrary to the law. This in itself creates risks for the Company's operations. In addition, in such conditions, competitors of the Company may receive various privileges and preferences from state authorities, gaining competitive advantages.