# CENFURA™

# Tokenomics of the Cenfura Token

**https://cenfura.com/**
**https://xcf-token.io/**

**Cenfura**™ is an *Independent Power Producer (IPP)* which owns and operates renewable energy assets across the globe, integrating a sophisticated combination of leading-edge technologies, economic systems, and a distributed infrastructure.  This combination is referred to as the *Cenfura Platform* and the gateway to its functions is the  *Cenfura Token*, which uses the ticker symbol  *XCF*  and are openly available in Bilaxy.com.

The hows and whys of implementing and deploying a token within an ecosystem, such as the Cenfura Platform, and all the economic activity it generates, is called *Tokenomics*.

## *Cenfura Tokens*

Cenfura Tokens, also called XCF tokens, are *Utility Tokens*  (in contrast to cryptocurrency tokens or security tokens).   Utility tokens can give holders a right to access a platform and perform a "consumptive purpose" for the products/services available on the platform for reservation or purchase.   In the case of the Cenfura Platform, XCF tokens are used for access and they also completely replace fiat currency as the medium of exchange and settlement for energy goods and services.  Therefore, transactions initiated with an accepted fiat currency or other allowable tokens will be automatically converted into XCF tokens at the equivalent current market value.

Having a utility token unique to Cenfura brings three primary benefits.  First, a proprietary medium of value exchange allows for a more orderly and autonomous transactional economy between platform participants and by extension the surrounding ecosystem.  This includes abilities such as using smart contracts to lock in future goods and services, creating ecosystem-specific incentives and rewards, granting rights, and the ability to moderate unbalanced market behaviors, to name a few.  Secondly, it helps create a specific economy around the Cenfura token and platform, enabling Cenfura to work with both government and non-government entities to implement community-based inclusion initiatives, including energy poverty, energy surety, and small business development programs using the XCF token.  This is especially important to the otherwise unbankable in societies across the world.  And lastly but maybe most

importantly, since buying and holding Cenfura's tokens represents prepayment of future goods and services, this creates additional working capital enabling Cenfura to grow faster and pursue its vision of accelerating the adoption of clean and locally generated renewable energy across the globe.

## *The Cenfura Platform and Tokenization*

All Cenfura renewable energy assets across the globe use the Cenfura Platform.  All of the functions and services within the Cenfura Platform are tokenized and every transaction is settled using XCF tokens.

When Cenfura's assets buy and sell products and services, automatic smart contracts do the heavy lifting.  These smart contracts work in the following way:  when an asset produces energy, a smart contract kicks in and calculates the sell price of the energy in local fiat currency and this price is then converted into XCF tokens at the current market exchange value.  This is how tokens are injected into the ecosystem.  The buyer then purchases the energy using XCF tokens and the asset has their share of tokens deposited into their account.  These tokens can then be sold back into the market for fiat currency, leaving the ecosystem, or the tokens can be held in reserve.  Again, all assets in the Cenfura ecosystem will use XCF tokens.
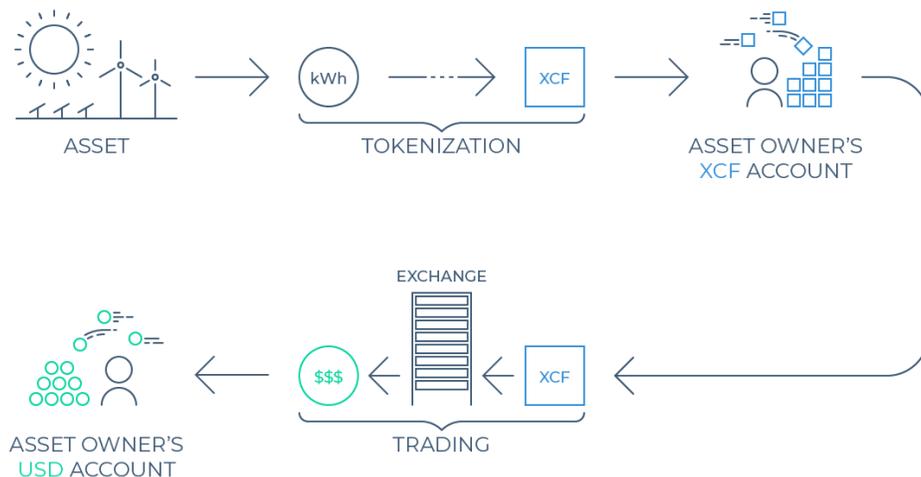


*Cenfura Tokenization Process Example*

Cenfura energy assets can consist of different elements.  For example, there may be a number of buildings consuming energy, multiple installations producing energy, different energy storage facilities such as batteries or hydrogen, and so on.  There might be a large-scale solar or wind farm installation, or a self-sufficient microgrid in a housing community.

In more detail, the Cenfura tokenization process can be described in the following steps:

1. Each of these assets has a business model residing in Cenfura Platform's tokenization system, including which part of the different elements are tokenized and at what prices and what pricing signals.  As a simple example, the system may tokenize a solar farm's output to local utility company, at perhaps 10 cents per kWh generated.
2. The tokenization system reads the asset's energy output and based on one or more energy contracts, will automatically calculate the output's value in the local fiat currency.
3. The tokenization system then automatically buys the required number of XCF tokens that match the equivalent value in fiat currency for the energy output.  These tokens are purchased at their current market price.
4. The acquired XCF tokens are credited to the asset owner's account.
5. Account owners may hold the XCF tokens, they may sell them, they may export them to an address residing outside private exchange, and/or they may trade them using an outside private exchange.

## Cenfura.io and Tokenization

In addition to the public exchanges where the XCF token can be bought, sold, and traded, the Cenfura platform incorporates a built-in special purpose internal exchange.  It can be found at https://cenfura.io/.  This internal exchange has an integral role within the Cenfura Platform and is used to perform specific functions as part of the tokenization process, including an automated market interface which buys tokens in a deterministic manner.   All Cenfura energy assets use this exchange to automatically buy any needed tokens, a key component in streamlining financial transactions within the Cenfura ecosystem.

## Energy Price vs. Token Price

Energy contracts everywhere are often priced in local fiat currency.  And because there is no one universal price for energy, the price varies not only by location but also by other factors such as date and time and per buyer.  Because of this, there is no direct link or relationship between energy unit market prices and token unit market prices.  The role of the XCF token is to be fast, reliable, and transparent payment settlement in all Cenfura transactions. On the Cenfura Platform all contracts for energy transactions are priced using fiat currencies and then converted into XCF tokens using current market rates.

## Onboarding Energy Assets for Tokenization

The first Cenfura energy asset is planned to be onboarded in April 2020.  Following this, new assets are expected to be onboarded on a quarterly basis, globally.  Information on the pipeline and new assets can be found in the news section of Cenfura.com.

Every time an asset is onboarded a calculated number of XCF tokens are locked-up for five years.  This assures the Cenfura Platform has access for sufficient tokens to orderly

increase token flow in the future.  The number of XCF tokens that are to be locked-up for each new onboarded asset will be calculated based on the estimated annual value (using fiat currency) of the asset's energy production during its first year.

## *Third-Party Participation in the Cenfura Platform*

The Cenfura Platform is not constrained to exclusive use by only Cenfura owned and operated assets, but also is open for use by and integration with third-party owned assets, products, and services of all types.  This includes the adoption of the XCF token for use by others in smart contracts, inter-application transactions, and payment settlement, which will expand the Cenfura ecosystem.

## *XCF Token Supply/Distribution/Allocation*

Total XCF token supply is limited to the 1.5B tokens minted at its creation.  No more XCF tokens will ever be created.   The current circulating supply is limited to 450M tokens.   Most of these tokens are either designated for circulation within Cenfura Platform, held in the Cenfura treasury (locked), or held by initial token buyers.  Tokens held by the Cenfura Platform must circulate (i.e. be tokenized) within the platform once before they can be utilized outside of the Platform.  Adding onboarded energy assets and related contracts will create constant and ever-increasing demand for XCF tokens for use within the Cenfura platform and ecosystem.  Additionally, internal and external demand for XCF tokens will be created by adding transactive energy trading transactions.

Cenfura has locked-up 600M tokens for future use.  These tokens will remain locked-up until further notice.  Tokens will be gradually released as the onboarded assets' daily use of tokens is over 5% of the circulating supply.   This will allow for creating and managing a sustainable and stable ecosystem in the long-term.  All locked-up token addresses, lock-up periods, and purpose can be found at http://www.xcf-token.io/lockups.  This webpage also will be updated as XCF tokens are released and utilized in different assets and projects.

## *Inclusion Initiatives*

Cenfura is committed to create and finance *inclusion initiatives* (energy poverty programs, academic programs, research programs) through XCF tokens.   A total of 95M XCF tokens have been allocated for this purpose.  The remainder of the tokens reserved for this purpose will be released on a quarterly basis as funded inclusion initiatives are approved and this will be published on the company website.