

# Cream Ecosystem

*Building the world's largest cryptocurrency ATM network  
and the first Ethereum-based dual token system.*

## White paper

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Cream Capital is a blockchain payment systems company revolutionizing the way people use cryptocurrencies by developing a more efficient means of acquiring and transacting them.

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## 00 ABSTRACT

Cream Cash (\$CASH) is an ERC-223 token that aims to be the most easily accessible and transactable token ever made available to the general public. Cryptocurrencies in general face hurdles regarding widespread adoption due to high volatility, the inability to be spent in everyday scenarios and the unfamiliarity surrounding exchange rates represented in fiat.

The Cream Cash token value is stabilized by our Cream Digital Asset Exchange which adjusts its price depending on the real-time price of the coins supported for trading represented in US dollars. As a result we are able to ensure that one Cream Cash is always the equivalent of one US dollar. The value of Cream Cash instills a sense of familiarity to the layman.

Cream (\$CREAM) has a limited token supply that is generated by locking Cream Cash into the network for various time intervals. Issued tokens reflect a percentage of the Cream Cash staked with payout incentives dependent upon the time frame Cream Cash is staked. Cream Cash adoption is more attractive than other cryptocurrencies because it's designed to be the most transactable token ever created and combined with the Cream generated through the staking mechanism, it has the potential to provide value growth that outperforms the best savings account interest rates and outpaces the rate of inflation. The integration of CASH and CREAM with our ATM network and payment systems, as well as free trading of Cream on exchanges has the potential to increase the value of the token over time. CREAM is strategically issued at a reasonable rate that will ensure stability within the market and ecosystem.

Cream Cash can be purchased through our network of Cream ATMs across the United States or online through the **Cream Digital Asset Exchange (C-DAX)**.

## 01 THE PROBLEM

Global cryptocurrency market capitalization has grown to almost \$200 billion. Even with such a large market cap, mainstream adoption has not yet occurred. The layman still has trouble grasping the concept of the blockchain and the benefits that come with distributed currency. For most, it's a lack of understanding as to what *backs* the value of digital currency and the difficulty associated with exchange rates when converted to fiat.

Additionally, the market instability of most cryptocurrencies is generally off-putting to potential adopters due to the fear of losing the value of their wealth when markets pull back. Pairing the aforementioned adoption hurdles with the fact that most online and brick and mortar stores don't accept most cryptocurrencies, if any at all, as a method of payment leads to a longer widespread cryptocurrency adoption timeline if more innovation doesn't occur. Most vendors will not accept a token that has the potential to lose 30% of its value the following day.

Cream Capital is developing all of the necessary systems to expedite the widespread adoption of cryptocurrencies.

## 02 CREAM CASH

Cream Cash (\$CASH) solves the fundamental problems surrounding widespread adoption of cryptocurrencies within the general public.

### 2.1 Token Issuance

Tokens are issued by a smart contract. When funds are deposited with Cream Capital through C-DAX, tokens get issued in return. When funds are withdrawn from Cream Capital, tokens get destroyed. Tokens are generated by purchasing them on-location at Cream ATMs across the United States or online through the Cream Digital Asset Exchange.

Cream Cash can be purchased using Ethereum.

## 2.2 Volatility-Free

Cream Cash has an uncapped, fluctuating token supply. When money enters the market, the token supply is updated and tokens are then generated and deposited into the user wallet. Depositing one dollar worth of Ether with Cream Capital will result in one token being issued. When converting tokens back to Ether, the tokens in question are then destroyed. In doing so, the number of tokens always reflects the number of dollars currently in the market and ensures the value of tokens remains in 1:1 synchronization with US dollars.

Having a volatility-free token is critical in that it gives adopters confidence that regardless of the overall market capitalization, their wealth will be protected. Contrast that concept with traditional cryptocurrencies in which market shrinkage results in the loss of wealth and holdings when converted back to fiat.

## 2.3 Exchange of Value

Cream Cash is developed strictly as an exchange of value. The 1:1 value synchronization with US dollars ensures that Cream Cash value is as familiar as possible so that the value of funds spent at grocery stores, restaurants or wherever are as simple to conceptualize as possible.

## 2.4 Why It Matters

Consumers are tired of the old system. Cryptocurrencies are a fight between old money and new money. People are tired of banks being able to control how they can or can't use their funds and they prefer a system of complete financial freedom. Financial freedom not necessarily in the sense of being extremely wealthy, but rather in the sense that they can exchange value anywhere at anytime in any matter they so choose.

Cream Cash offers people the capability to do just that in a way that allows them to easily visualize the value of funds exchange by staying 1:1 with USD and provides a platform to manage money from anywhere in the world.

## 2.5 ERC223 Token Standard

Cream Capital is developing our token ecosystem in accordance with the ERC223 token standard. We have done this because flaws in ERC20 have resulted in nearly \$400,000 being lost in token sale contracts with no possibility of being returned. By using ERC223, we are able to ensure that tokens are not sent to an address not prepared to handle it as the contract will prevent funds from being deposited.

This is the token standard we are using to ensure that investors do not accidentally lose funds by sending them into limbo at an address where they cannot be recovered or processed.

Additionally, the ERC223 token standard would allow developers to easily to integrate Cream Cash into their own smart contracts and use/accept our stable cryptocurrency just as they would Ether to fund initial coin offerings.

## 03 CREAM

Cream (\$CREAM) serves as an incentive to adopt Cream Cash and to incentivize the usage of our payment systems. CREAM is generated by locking Cream Cash held in-wallet into various staking periods.

### 3.1 Limited Token Supply

By limiting the total supply to 100,000,000 and strategically issuing tokens in contrast to the uncapped token supply of Cream Cash, widespread adoption of Cream Cash will ultimately lead to the increase in value of Cream . The issuance of Cream are entirely dependent upon and scales in proportion to its market cap.

### 3.2 Locking/Unlocking Tokens

To generate Cream , token holders must lock Cream Cash holdings into the network for various staking periods. Staking periods can range from days, to weeks, to months to even years with each time period offering different payout incentives in reward tokens. The longer token holders lock Cream Cash into the network, the larger the payout that is issued in Cream tokens when the staking period ends.



### 3.3 Store of Value

Cream is generated when token holders lock Cream Cash into the network and are issued at a rate dependent upon various staking intervals. This makes Cream Cash a more favorable method of storing wealth in that the tokens issued can protect against inflation (1.7% August 2017), outperform the best interest rates available in savings accounts (generally ~1-1.4%).

Cream Cash protects token adopters from market volatility while Cream offer a degree of value growth over time and additional transactability by simply owning both tokens.

### 3.4 Growth Driven

Cream Capital will open up Cream to be traded freely on exchanges. Token holders can even take advantage of perks such as discounts and 0% transaction fees when exchanging value. We believe that doing so will expedite the growth in value of Cream and makes Cream Cash more attractive in terms of adoption. Additionally, Cream will be integrated with Cream ATMs to incentivize more widespread usage of Cream Capital systems.

## 04 CREAM ATM

Cream ATMs serve as a means to get Cream Cash and other cryptocurrencies into the hands of the general population.

### 4.1 Time-to-Wallet

Digital exchanges in their current state are inefficient in their time-to-wallet transfer times. They aren't limited due to network hashrate hiccups, but more typically slow verification processing timeframes. Digital exchange verification can take a while to process before customers can purchase funds. With the introduction of Cream ATMs customers can simply walk up to a machine, scan their government issued ID in states that require it, scan a wallet address and deposit funds.

The time-to-wallet timeframe at a Cream ATM takes seconds — not days, weeks, or months.

## 4.2 Distribution Network

Cream Capital currently has over 800 locations across California, Nevada and North Carolina in our distribution network. We intend to have 100 of these locations utilized and operational by mid-2018 and all locations utilized and operational by 2019. By the end of 2019, we intend to capture more than half of the global cryptocurrency ATM market. As of the time of writing, we have six ATMs operational in North Carolina in a partnership with The Bitcoin Dispensary.

## 4.3 Regulation Compliancy

Cream ATMs are fully compliant with Anti-Money Laundering and Know Your Customer laws. We work closely with the Financial Crime Enforcement Network to meet compliance.

## 4.4 Revenue Projections

Lamassu reports that machines move an average of \$30,000/month in volume. At a 5-8% commission, we are estimating \$1,500 to \$2,400/month/ATM in profit. With 800 locations utilized, we estimate \$1,200,000 to \$1,920,000/month in profits. In other words, anywhere from \$14,400,000 to \$23,040,000 per year in profits.

## 4.5 Card Dispensing

Cream ATMs will offer users the option of receiving a debit card with Cream Cash wallet integration at the time of purchase at an ATM. The machines will have a built in card dispenser. This feature is in development and is not expected for rollout until late 2018.

# 05 ANTI-MONEY LAUNDERING

Cream Capital meets and fully exceeds anti-money laundering regulations from FinCEN and the federal government.

## 5.1 Policy Guidelines

Without the proper anti-money laundering (AML) compliance procedures, blockchain currency and other financial institutions are in danger of inadvertently facilitating drug trafficking, terrorism financing and other crimes. Blockchain and financial institutions can be prosecuted for failing to have effective Anti-Money Laundering policies in place. This document provides

an example of guidelines that can be used to create a due diligence program that detects potential money launderers within our customer base. In addition, the sample policy below is compliant with the USA PATRIOT Act and other similar legislation:

The institution's management will actively search for suspicious activity. When it is discovered, a representative officer will review it and make a recommendation as to whether a **Suspicious Activity Report (SAR)** should be filed.

A guideline for SAR reporting is that the assigned officer will usually have ten (10) business days to conduct the review and make his or her recommendation. Check the bank's SAR form for specific instructions. All recommendations will be made in writing and forwarded to the Bank Secrecy Act (BSA) Officer.

The BSA Officer is responsible for reviewing the investigating officer's recommendation and determining if an SAR should be filed. The BSA Officer will file the SAR with the appropriate legal and regulatory authorities. All supporting evidence for the SAR will be maintained for a minimum of five (5) years, and will be securely stored. The BSA Officer will report to the board of directors the number of SARs filed each month.

## 5.2 Procedures for Detecting Money Laundering

It is not always easy to identify instances of money laundering in decentralized, distributed systems such as the blockchain. However, our institution will exercise due diligence to ensure all instances of money laundering occurring on our systems are properly documented and reported to FinCEN and appropriate regulatory bodies.

The institution must employ an automated system for AML detection that will enable it to detect most instances of money laundering. The BSA Officer will print and maintain reports produced by the system to substantiate his opinion that specific activity is, or is not, suspicious.

In addition to using the system, all employees will receive training once a year on how to identify money laundering operations. (New employees that have direct contact with customers will receive initial training within the first four weeks of employment.) As a part of the training, each New Accounts Representative will be given a laminated card that identifies ways to detect and prevent money laundering. Replacement cards will be available from the BSA Officer.

## 5.3 Procedures for Monitoring Policy Compliance

A minimum of once per year, the institution's internal auditor or an independent third party will review the BSA Officer's suspicious activity file. The auditor will ensure that all identified suspicious activity was reviewed and appropriately handled. The auditor will also use internal transaction monitoring systems to search for suspicious activity that the BSA Officer may have missed.

## 5.4 Bank Secrecy Act Officer Training

The BSA Officer will be allowed to attend two (2) one-day training classes per year. He or she will get to choose the training. The BSA Officer will also be allowed to subscribe to a BSA newsletter service.

# 06 CREAM DIGITAL ASSET EXCHANGE

Cream Digital Asset Exchange (**C-DAX**) is an online exchange used to purchase and trade Cream Cash and other cryptocurrencies.

## 6.1 Digital Payment Gateway

The Cream Digital Asset Exchange is a payment gateway that allows consumers to purchase Cream Cash online. We believe that while Cream ATMs are a great way for the general population to acquire Cream Cash and various cryptocurrencies, the construction of an online exchange is completely necessary in the expansion of the Cream Ecosystem.

## 6.2 Payment Methods

C-DAX will accept payment in the form of Ether. C-DAX is powered by an Ethereum Smart Contract that pulls off-chain pricing data for various cryptocurrencies and issues Cream Cash based on the real-time price.

When buying Cream Cash, the price will be always \$1 worth of Ether as determined by the market. The sell price would be \$1 worth of Ether which would be calculated and determined by the market. When selling Cream Cash for Ether through C-DAX we will take a small withdrawal fee.

## 6.3 Expansion Plan

While C-DAX will initially be a means of acquiring Cream Cash, we are definitely chewing on the idea of turning it into a fully-fledged cryptocurrency exchange. The timeline for such an expansion is currently unknown as we are currently focusing on manufacturing ATMs for all locations in our distribution network.

## 6.4 Liquidity

The price of Ether is volatile. Since the smart contract that issues Cream Cash only accepts Ether as a means of exchange, there is a risk that if the price of Ether drops considerably, the exchange might not have the proper liquidity to back every token in circulation.

Being that our tokens play a critical role in our business plan and strategy, it's important we ensure that Cream Cash holders can withdraw funds at the appropriate exchange rate at all times. We will be adding an initial \$3,000,000 to the smart contract handling the exchange to ensure that even in price drops, token holders will have the ability to withdraw funds. Additionally, Cream Capital will provide liquidity as needed from funds generated by other pillars of the business such as the ATM network.

## 6.5 Understanding the Risks

For token holders that choose to exchange their Ether to Cream Cash, the risk of insolvency is always there. Should the price of Ether drop substantially or the company go out of business and suddenly we can't provide liquidity, the value of funds initially deposited could be lost. However, while we are operational, we will take the appropriate measures to ensure this sort of scenario never becomes a reality.

We make no guarantee that token adopters will retain the value of their initial deposit or that the value of CREAM purchased during the token sale will retain its value. Before participating in a token sale or using our systems, due diligence should always be exercised.

## 6.6 Funds Management

In addition to serving as a means of purchase Cream Cash and trading cryptocurrencies, C-DAX will act as a hub for funds management within the Cream Ecosystem. Users will have the ability to view funds, make transfers, see transaction history and more.

## 07 APPROPRIATION OF TOKEN SALE FUNDS

In order to meet key company milestones, it is important that the necessary funds are in place to ensure that manufacturing, liquidity, research and development, and service costs can be properly covered.

**\$10,000,000** - Projected funds to launch ATM network in the United States

**\$10,000,000** - Projected funds to launch ATM network globally

**\$1,500,000** - Projected funds needed to establish a strong legal framework

**\$2,500,000** - Funds to hire C-DAX staff and convert to full exchange + ATM integration

**\$3,000,000** - Projected funds for pure cryptocurrency debit card integration

**\$3,000,000** - Projected funds to provide liquidity to our exchange/ATM network