



Whitepaper Crypto-BRL

VERSION 1.0



INTRODUCTION

Cryptocurrencies are increasingly present in the digital society since technology has become accessible and widespread in an increasingly connected world.

However, despite its several qualities, the high volatility of traditional cryptocurrencies has still been a major issue on their adoption by people. Maintaining your funds or using them to make transfers and payments always carries devaluation risks during the process.

This was one of the main reasons for the creation of cryptocurrencies called 'stablecoins', which are basically currencies backed by other fiduciary currencies (state-owned, such as the dollar or Brazilian coin).

Stablecoins have proved to be of great use and success, but unfortunately the main examples are backed by currencies from other countries such as the US Dollar and Euro, and this ends up limiting the use by Brazilians, because it inserts uncertainties due to currency risks.

Based on these facts and looking to make easier the financial movements of cryptocurrency users in our country, we decided to implement a national currency-backed token called Crypto-BRL or cBRL.

The assumption is that this token will allow simple movement of values (cash-in/cash-out) between different exchanges, which can be centralized or decentralized, national or international, P2P negotiators, and any other adepts of cryptocurrencies. This will happen with low cost, privacy, operating 24 hours, seven days a week, and without the intermediation of any financial institution. Beyond that, in order to increase user confidence, we will adopt an open and distributed auditing system, as detailed in the following sections.

ABOUT CRYPTO-BRL

Crypto-BRL, or cBRL, is a virtual token backed by an equivalent amount of Brazilian money (BRL), and one-to-one parity. It means one token always worth one Real.

Developed using the ERC20 standard, this token is based on Ethereum's blockchain technology and credibility, which is one of today's leading cryptocurrencies. This is also one of the main technologies used by the biggest stablecoins present in the global market, through the well-known smart contracts

There is currently a high demand for a Brazilian stablecoin, however, consolidating a viable alternative in Brazil has proved rather difficult. We believe the main reasons are liquidity and credibility, which we want to address clearly and efficiently, as detailed in the following sections.

Hence, cBRL aims to be one of the main forms to move values between Brazilian cryptocurrencies users, acting as a bridge between the “crypto” world and our daily life, which users still mostly make use of the “FIAT” currency. This will bring ease, agility, security, and privacy to its holders, in addition to the stability of the national fiduciary currency.



EMISSION AND REDEPMTION

The cBRL will be issued using smart contracts in the Ethereum blockchain, according to the consolidated ERC20 standard.

The number of tokens issued is limited to 1,000,000,000 (one billion) and no further token can be generated later.

These tokens will be stored in a multi-signed wallet with 5 different private keys, stored in hardware wallets geographically distributed in different Brazilian cities.

In order to use 1 token, the amount of 1 Real (Brazilian currency) must be deposited in the bank account responsible for its backing. This ensures that tokens in circulation have their equivalent value in Reais (Brazilian currency), ready to be redeemed whenever desired.

So, whenever R\$ 1,00 Real is redeemed by a user, the token should go out of circulation and has to return to its creation wallet, from which it originally came out.

With this arrangement, the balance in the collateral account will always be equal to or greater than the amount of tokens in circulation in the market, ensuring their solvency.

BUT WHY 1,000,000,000 TOKENS?

The ERC20 standard allows the tokens to be generated only once. After that, such tokens are stored in an initial wallet (which we call the 'genesis' wallet) and after that, no more tokens can be created by this contract.

Imagine now that this stablecoin could exist 10 or 20 years from now, in a larger cryptocurrency market than today, and where probably the Brazilian Real will be much more undervalued by inflation.

It is for this scenario that cBRL is prepared, we believe that the amount of tokens generated will be sufficient to support this market growth, as well as the devaluation of the Brazilian currency.

Moreover, what matters is not the number of tokens generated, but the circulating amount, which must always be less than or equal to its FIAT collateral. And both

collateral and circulating quantity can be easily monitored by our volunteer auditors, or by looking at the website: <https://cryptobrl.com>

WHERE CAN THEY BE ISSUED AND REDEEMED?

To allow easy access by the ordinary users, or in small volumes, cBRL can easily be issued or redeemed at exchanges or other partner companies, always with the purchase and sale value guaranteed at R\$1,00 Real.

In other exchanges, which only chose to list it as another cryptocurrency, the token can be freely traded in their orderbook.

On the project website, there will always be an updated list of companies where you can issue, redeem or trade the token.

TOKEN STORAGE

CBRL tokens can be stored in a trusted exchange that supports it, however, we always advise you to keep them in a wallet of your own, that only you have access to (after all, exchange is not a wallet).

You can use any wallet that supports the ERC20 standard to store them, such as: Metamask, MyEtherWallet, Trust Wallet, and hard wallets such as Trezor or Ledger.

It is important to remember that the standard also allows multi-signature wallet storage, bringing even more security to your funds.

APPLICATIONS

CBRL will bring a wide range of new applications to Brazilian cryptocurrency ecosystem, including:

- Transfers between users, any day and time (24h / 7)
- National and International Arbitrations
- Trading in decentralized exchanges
- Privacy on blockchain transactions
- Cash-in and Cash-out on international exchanges

- Deposit and withdrawal in exchanges
- Deposits and withdrawals at partner banks
- Use by conventional trade, without risks with volatility and low cost.
- Hedge in cryptocurrencies, backed by Brazilian currency.

TOKEN TECHNICAL DATA

- Blockchain: Ethereum
- Standard: ERC20
- Issuance: 1,000,000,000
- Single emission: yes
- Maximum current: 100% of the collateral (Brazilian currency)
- Price: R \$ 1,00 (BRL)

TRANSPARENCY AND CONFIDENCE

Why should decentralized systems, such as cryptocurrencies, accept central guarantees from a fund-holding institution, or even an "international" audit that can say what the customer wants, as long as they are well paid for it?

The guarantee of cBRL tokens will be Handled in a distributed manner, thus being much more reliable, as we will explain in detail below.

The collateral accounts will be presented on a monthly basis, where the FIAT amount allows the circulation of the respective tokens will be concentrated. In addition, of course, to the 'genesis' address, where then all the unballasted (out of circulation) tokens.

To bring reliability to this process, there will also be several volunteer auditors with read access to the collateral bank accounts.

Any institution can apply to be a voluntary auditor (at no cost). This auditor will have read access to the collateral accounts. This way any volunteer auditor can confirm the balances as well as point out any inconsistencies.

Auditors will preferably be distributed in different segments, such as news, blogs, influencers, banks, exchanges, OTC traders, P2Ps, etc.

This way, an audit and distributed trust system is created, in which each participating company becomes the supervisory entity, confirming the veracity of the balance sheets presented monthly and, consequently, the solvency and backing of cBRL.

PROJECT MAINTENANCE

Obviously, although not very expensive, there are costs for the maintenance of this project. So it's important to make it clear how the company will stay functional.

The funds for system maintenance will come from a small redemption rate of 0.2%. But it is believed that this small fee will be operationally absorbed and the redemption partners will not charge it from end-users.

BitPreço, a cryptocurrency marketplace that will integrate the token into your system, for example, has already committed to absorbing this redemption fee, always ensuring the conversion of R\$1,00 Real for issuance or redemption of tokens.

DISCLAIMER/EXCLUSION CLAUSES

The aim of this White Paper is to present to potential users the CryptoBRL Token proposal. The information presented below does not imply any contractual relationship between CBRL and the person who is reading this document.

This White Paper is not considered an investment solicitation or an offer to any form in order to purchase real estate in any kind of jurisdiction. This document has no agreement under any jurisdiction to protect investors from laws and regulations.

The CryptoBRL Token is classified as a stable value utility token. Moreover, no securities laws of any other state in Brazil or any other country have been registered under the CVM, including laws of any jurisdiction in which the token holder is resident.

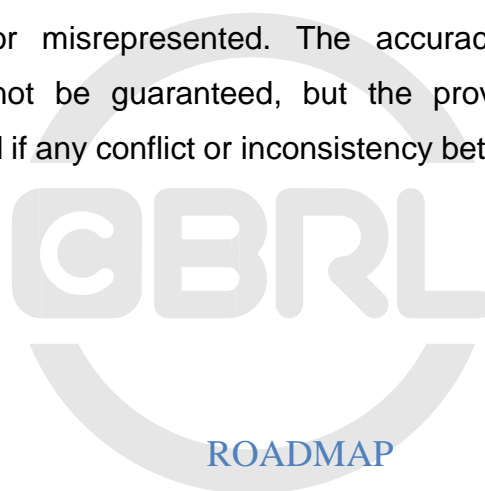
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This Token is not intended for use or sale in any jurisdiction where it is prohibited.

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4th Quarter 2019

- Token release
- Integration on at least one redemption and issuance platform (Bitpreço).

1st. Quarter 2020

- Digital bank and credit card integration VISA
- Integration in three national and / or international exchanges.
- Integration in a decentralized exchange

2nd Quarter 2020

- Integration in a decentralized exchange with atomic Swap for OTC

CONCLUSION

It is believed that this project will represent a breakthrough in the Brazilian market, an market unfortunately already taken by disrepute, due to the huge amount of scams and non-transparent companies that deal irresponsibly with their client's funds.

With an innovative audit mechanism, we want to bring a level of transparency never before practiced in the domestic market, thus creating the credibility necessary for the cryptocurrency users to make their transactions safely.

Finally, we believe that the success of this project will bring big gains to the ecosystem as a whole and so it has gained support from various entities. We hope to bring trust, privacy, agility, independence to cryptocurrency users in Brazil.