



Ripple Lawsuit: Is the Crypto Creator Giant Going to Win?

Description

Ripple Labs has been in the grips of a lawsuit by the U.S. Securities and Exchange Commission (SEC) for a while. The case has been through its ups and downs for the creators of **XRP** ([CRYPTO:XRP](#)). After all the delays and twists in the case, it appears that the company might be on the way to achieving victory for the cryptocurrency industry in a monumental case.

[Investing in technology](#) was a big trend for Canadian investors for the last few years. Provided that Ripple Labs has a decisive victory in its lawsuit, it could spur a greater flow of investor capital into the cryptocurrency industry.

Ripple Labs, the defendant, has had several small victories, as the SEC has failed on several procedural fronts in the lawsuit. To make things appear more hopeful for the cryptocurrency creator, a capital market lawyer who worked as an SEC official also feels that Ripple Labs has a stronger case.

With a victory on the horizon for Ripple Labs, the question is whether it will decide to settle the lawsuit to end the ordeal quickly or will it push for a decisive victory that could drag the case along for a long time.

Today, we will discuss whether Ripple Labs might be better off settling or seeing the lawsuit through, because the outcome of this case is a critical point for the [cryptocurrency industry](#).

Why settling the case makes sense

The simplest reason Ripple Labs might pursue settling the case with the SEC is to bring it to a swift end. It is the most economically viable solution, and it could resolve the case. Nobody wants to go through an expensive and time-consuming trial that results in high costs through legal fees. Settling would allow Ripple Labs to move past this and look ahead.

The SEC has not been favoured heavily by the judge presiding over the case. Pursuing a \$1.39 billion lawsuit might not result in a desirable outcome for the government authority. A settlement of a relatively smaller amount could allow both parties to move on from the situation.

Why going for a decisive victory makes sense

The biggest benefit to going for a complete victory by seeing the case through for Ripple Labs would be not having to pay any amount to the SEC in a settlement. Aside from not having to doll out a substantial amount of money, a complete victory would also be a major win for the cryptocurrency industry as a whole.

If the judge presiding over the case rules in favour of Ripple Labs, it would mean that there will be a definite case law stating that cryptocurrencies are not securities. Crypto developers throughout the industry might feel plenty of relief in terms of regulatory issues they face with their blockchain projects.

Foolish takeaway

Ripple Labs looks well positioned to come out the victor in its lawsuit filed by the SEC. If the company decides to settle the case, it will likely be for far less than the \$1.3 billion and change demanded by the SEC. A win for the defendant would mean that it will not have to pay a dime. Either result would be a good development for XRP holders and [cryptocurrency investors](#) at large.

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