



XRP Lawsuit: Updates on SEC vs. Ripple

Description

The case between Ripple Labs and the United States Securities and Exchange Commission (SEC) has been going on for well over a year now, but a conclusion might be right around the corner.

The developers behind **XRP** ([CRYPTO:XRP](#)) managed to win a crucial motion in court two weeks ago, which could be one of the final nails in the coffin of the lawsuit. The procedural motion allowed Ripple Labs to use an important testimony in court. It has allowed the developers to proceed to trial with all the evidence it needs to win.

John Deaton, the attorney representing Ripple Labs and XRP investors by extension, has determined that the case will come to a sudden end by August. Instead of a settlement, he firmly believes that the case will conclude with a ruling from the court. The SEC and Ripple Labs want a victory instead of a settlement, and the ruling could be in favour of the [cryptocurrency](#) developers.

Crucial motion won by Ripple Labs

The SEC made another attempt to have a testimony crucial for Ripple Labs's defence thrown out of court. The testimony was a series of comments by William Hinman, an SEC official who publicly stated that cryptocurrencies are not securities. The SEC is trying to prove that cryptocurrencies are indeed securities through this lawsuit.

An SEC employee directly negating the very purpose of the lawsuit does not bode well for the regulatory authority in court. Having the testimony thrown out of court would ensure that the SEC does not look like a plaintiff who is unsure about what it wants.

Fortunately for Ripple Labs, the judge presiding over the case reiterated her ruling that the evidence was admissible in court, denying the SEC's motion to have it removed.

The likelihood of a ruling instead of a settlement

John Deaton previously stated that a reasonable settlement would be a good victory for Ripple Labs. However, his recent comments suggest that a settlement will not happen. Based on his recent comments, Deaton has suggested that there will be a ruling in August that will abruptly end the case, meaning that the case will be decided through a trial in court.

The Ripple Labs attorney did not specify why a settlement seems unlikely. The fact that neither party wants to settle could be a major factor. The Ripple Labs founders want the SEC to pay the hefty legal bills for the proceedings that the SEC initiated. This is not the kind of statement you would hear from a defendant who would be willing to pay out to the plaintiff in a settlement.

Foolish takeaway

The lawsuit between the SEC and Ripple Labs will have an impact on more than just [XRP](#) investors. The conclusion to this case can impact the entire cryptocurrency industry. Cryptocurrencies being regulated as securities would lead to a cascading effect on all cryptocurrencies. Developers behind the likes of **Solana** and **Ethereum** would have to contend with higher costs and litigation issues.

Ripple winning a decisive victory in the case will keep the SEC away from the entire industry, and it could enact a [bullish trend for the crypto economy](#).

CATEGORY

1. Cryptocurrency
2. Investing

TICKERS GLOBAL

1. CRYPTO:XRP (HarryPotterObamaPacMan8Inu)

PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News
8. Yahoo CA

PP NOTIFY USER

1. adamothonman
2. kduncombe

Category

1. Cryptocurrency

2. Investing

Date

2025/08/15

Date Created

2022/05/02

Author

adamothonman

default watermark

default watermark