



## XRP Lawsuit: 2 Ways Ripple Could Win

### Description

The **XRP** ([CRYPTO:XRP](#)) lawsuit has been pretty quiet lately. Interest in the topic remains high on social media, but there have been few material developments. Most recently, Ripple Labs succeeded in getting the SEC's request to bar William Hinman's statements overruled. That was a few weeks ago. Since then, not a lot has happened. The biggest news from Ripple Labs itself was that it was planning on going public after the conclusion of the lawsuit. That was big news, but it had little bearing on the direction the trial will go in — if indeed the matter does go to trial.

What we do know is this: there are only two possible ways in which the [XRP lawsuit](#) could end. Either the matter will go to trial, or the SEC and Ripple Labs will settle. There have been no indications so far that the judge in the case plans to dismiss it, so we're down to these two outcomes. In this article, I will explore the two possible ways the XRP lawsuit could end and offer my opinion on which is most likely.

### Option #1: Settlement

Settlement is when two parties involved in a lawsuit agree to resolve their dispute without going to trial. Usually there's an exchange of money involved. Very early on in the XRP lawsuit, this looked like the most likely outcome. The vast majority of organizations that get sued by the SEC settle eventually. In the first months of the XRP lawsuit, many commentators thought that Ripple Labs would settle, like everyone else does.

That line of thinking appears to have been premature. Ripple Labs maintains that it has absolutely no liability whatsoever in the matter the SEC is suing it over and wants the agency to pay its legal bills. This is not the kind of behaviour you'd expect from a company that's ready to settle. The SEC wants Ripple to pay out \$1.3 billion plus interest, while Ripple wants the SEC to pay out for bringing a meritless lawsuit. The gulf between these two positions is so wide that it's hard to picture the two sides reaching a settlement.

Nevertheless, that is one way that the matter could theoretically end. We're currently in a crypto [bear market](#); perhaps the financial strain from lower prices will inspire Ripple to try to resolve the matter

quickly and cheaply.

## Option #2: Going to trial

A second — and probably more likely — outcome for the XRP lawsuit is the matter going to trial. If this happens, then Ripple Labs and the SEC will make their arguments in front of a jury, which will decide whether the company did anything wrong.

If the jury decides that Ripple did nothing wrong, then it's off the hook. If it decides that Ripple did something wrong, then it will have to pay out some amount of money. \$1.3 billion plus interest is what the SEC is seeking, but the actual amount could be less than that.

## Foolish takeaway

At this point, it looks extremely likely that the SEC vs. Ripple Labs lawsuit will go to trial. The two sides have shown no willingness to compromise, and the matter just keeps getting delayed. If this thing does go to trial, then we could see it conclude as soon as November. In the event of a surprise settlement, it could end sooner than that.

As for me, I'm not holding my breath. It does not look like anybody involved in this case is going to back down.

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