



## XRP Lawsuit: Here's Where We Stand Today

### Description

It's been pretty quiet on the **XRP** ([CRYPTO:XRP](#)) front lately. The SEC's lawsuit against Ripple Labs is still ongoing, but there haven't been many new developments. The latest news related to the lawsuit was not a legal matter but a tangentially related story: Ripple's pledge to go public if it wins the lawsuit. Apart from that, things have been slow. However, there have been some announcements from Ripple that tell us tantalizing things about its future after the lawsuit ends — whether it wins or not.

In this article, I will explore the latest from Ripple Labs on its legal battle and post-lawsuit plans.

### Global expansion possible

The most recent announcement from Ripple pertaining to the lawsuit was a contingency plan for continuing should it lose the lawsuit. Ripple expects to win against the SEC, but it is making plans for life after a loss. In a statement, company executives said that they would shift their operations out of the U.S. if they lost.

In the event of a loss or an unfavourable settlement, Ripple would have to pay out money — potentially \$1.3 billion worth plus interest. But the real headwind would be the increased regulation in the post-lawsuit period. The SEC's suit isn't just seeking \$1.3 billion; it's also seeking to have XRP regulated as a security. That latter factor could ultimately prove more costly than the payout, as it would create recurring costs that would grow larger and larger over time. Ripple would have fewer such costs in a more crypto-friendly country like, say, El Salvador. So, it is actively planning to move to such a country should operating in the U.S. become unfeasible.

### IPO

Another post-lawsuit plan Ripple is working on is an [initial public offering](#) (IPO). Ripple has already sold its token to the public, now it wants to sell shares. If Ripple wins the XRP lawsuit, then it won't have to worry about registering or filing disclosures for XRP itself. So, it may be capable of handling the regulatory burdens that come with selling shares. If XRP were to go public, the share offering would

create cash inflows that the company could use to finance the development of the XRP blockchain, and services like RippleNet. So, it's an exciting development for investors to keep an eye on.

## Still no settlement

As we've seen, there are many possibilities for Ripple Labs and XRP post-lawsuit. If Ripple wins, it might go public; if it doesn't, it may have a future in an overseas jurisdiction. Either way, Ripple's leadership shows no signs of giving up. The company is still not settling with the SEC, which implies that it thinks it has a decent shot of winning at trial.

## Foolish takeaway

The XRP lawsuit has been one of 2022's biggest crypto developments. In a year mostly defined by a long [bear market](#), XRP has given investors at least one cause for hope. If Ripple Labs wins the SEC lawsuit, then the crypto industry will be able to continue operating as it always has. So, traders may hope that the suit comes to a speedy and favourable close.

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