Twitter Thread by Ryan Bitcorn Selkis



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1/ After a good night's sleep, I have a few thoughts on the impending Ripple lawsuit.

Less schadenfreude, more "what now?" https://t.co/a0oTwblBHB



> BREAKING: The @SEC_News intends to sue @ripple over its sale of XRP, alleging the cryptocurrency is an unregistered security according to @bgarlinghouse.@nikhileshde reportshttps://t.co/7Z3KSWk7dn
>
> — CoinDesk (@CoinDesk) December 22, 2020

2/ First of all, the USG is going to lose.

I don't even need to read the complaint. They might force a settlement, but they're outclassed on legal.

Remember Ripple engaged former SEC Chair Mary Jo White in a civil matter in 2018. A hint of their $$$.

https://t.co/MsA9X58lAx

3/ Second, the USG should lose.

The SEC restrictions on non-accredited investors; the ridiculous Howey test; 80 year old securities law like the "40 Act" all need to die in fire. They are un-American and completely outdated.

I hope Ripple wins. (WUT?)

4/ Third, it's incumbent upon industry to self-police and hold the moral high ground.

I give certain individuals A's and others F's, but as a whole, the most powerful people and companies generally take a Swiss neutrality stance on assets.

So we're effectively in this together.

5/ We're "in this together" to draw lines of regulatory demarcation.

XRP as a "security" further hurts the U.S. businesses while global comps will continue to make these markets.

XRP as a security also means other assets will meet the same fate. At least Ripple has $ to fight.

6/ Ultimately, the USG won't kill a domestic golden goose.

The US will soon be "on the take" as well. Fine Ripple, extract. Tax future Ripple XRP sales, extract. Keep Ripple funding California!

Ripple will settle and get more aggressive in marketing.

7/ Fifth, the Howey test is broken; Ripple can set new precedents.

Ripple has credible claims XRP is being used as a bridge asset today. Sure, the *primary* use is funding Ripple, but ODL IS gaining steam, if for no other reason than it's being foie gras'd to equity partners.