

Coinbase halts trading of XRP following SEC suit against Ripple

Coinbase announced today that it is halting all trades of XRP on its cryptocurrency exchange, according to an official blog post (via *Coindesk*). Certain kind of trades became restricted today, and the full suspension will go into place January 19th, 2021 at 10AM PT. Coinbase is the largest cryptocurrency exchange, and suspending a currency like XRP naturally casts doubt on the currency's future, even before the SEC lawsuit over it is settled.

Coinbase says it made the decision to suspend XRP "in light" of the suit the US Securities and Exchange Commission (SEC) filed against XRP's original creator, Ripple. With the suspension in place, people will no longer be able to trade XRP on Coinbase, though they will still be able to deposit and withdraw from their XRP wallets.

In the suit that started it all, the SEC's main concern is what an XRP actually is. The SEC claims XRP is a security and should be treated as such. That means Ripple's former CEO and current CEO should have been responsible for disclosing a variety of additional information necessary to access the risks of XRP before anyone invested. Ripple, of course, believes the opposite. In Ripple's opinion, XRP is a currency, and so it doesn't fall under the jurisdiction of the SEC. For more on why it matters what XRP is called, check out my colleague Liz Lopatto's piece.

Coinbase is the highest-profile exchange to suspend XRP, but other exchanges like Bitstamp and OK Coin have made similar

decisions following the SEC's legal action. With the simple announcement of a lawsuit, the SEC has already impacted the short-term future of XRP.

<https://www.theverge.com/2020/12/28/22203761/coinbase-halts-trading-xrp-ripple-sec-suit>