



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATION PLACE
100 F STREET, NE
WASHINGTON, DC 20549-2465

Office of FOIA Services

December 13, 2023

Ms. Eva Laverty-Wilson
History Associates Incorporated (HAI)
300 North Stonestreet Avenue
Rockville, MD 20850-1655

Re: Freedom of Information Act (FOIA), 5 U.S.C. § 552
Request No. **23-03126-FOIA**

Dear Ms. Laverty-Wilson:

This letter responds to your request, dated and received in this office on August 8, 2023. Each subject in your request was assigned a separate FOIA tracking number as noted below.

Request Numbers	Subject
23-03115-FOIA	Beaxy Digital, Ltd.
23-03116-FOIA	Binance, US
23-03117-FOIA	Bittrex, Inc., and Bittrex Global GmbH
23-03118-FOIA	Block.one
23-03119-FOIA	Coinbase Global, Inc. and Coinbase, Inc.
23-03120-FOIA	Enigma MPC
23-03121-FOIA	FTX Trading Ltd, Alameda Research LLC, Samuel Bankman-Fried, Nishad Singh, Caroline Ellison, and Zixiao "Gary" Wang
23-03122-FOIA	Genesis Global Capital, LLC and Gemini Trust Company, LLC
23-03123-FOIA	Ishan Wahi
23-03124-FOIA	LBRY, Inc.
23-03125-FOIA	Payward Ventures, Inc. (D/B/A Kraken)
23-03126-FOIA	Ripple Labs, Inc.
23-03127-FOIA	Voyager Digital Holdings, Inc.
23-03128-FOIA	Zachary Coburn

This letter only responds to FOIA Request Number **23-03126-FOIA**.

Access is granted in part to the enclosed eleven (11) pages of records except for certain information that is exempt from disclosure pursuant to 5 U.S.C. § 552(b)(6) and (7)(C), for the following reasons:

- Exemption 6 protects records or information when disclosure would constitute a clearly unwarranted invasion of personal privacy;
- Exemption 7(C) protects records or information when disclosure could reasonably be expected to constitute an unwarranted invasion of personal privacy;

Additionally, we are withholding a five (5) page case closing recommendation in full under Exemption 5, 5 U.S.C. § 552(b)(5). Since certain responsive information was prepared in anticipation of litigation, forms an integral part of the pre-decisional process, and/or contains advice given to the Commission or senior staff by the Commission's attorneys, it is protected from release by the attorney work-product, deliberative process and/or attorney-client privileges embodied in Exemption 5.

Finally, we are withholding additional records that may be responsive to your request under 5 U.S.C. § 552(b)(7)(A). This exemption protects from disclosure records compiled for law enforcement purposes, the release of which could reasonably be expected to interfere with enforcement activities. Since Exemption 7(A) protects the records from disclosure, we have not determined if other exemptions apply. Therefore, we reserve the right to assert other exemptions when Exemption 7(A) no longer applies.

It is the general policy of the Commission to conduct its investigations on a non-public basis. Thus, subject to the provisions of FOIA, the Commission does not disclose the existence or non-existence of an investigation or information gathered unless made a matter of public record in proceedings brought before the Commission or in the courts. Accordingly, the assertion of this exemption should not be construed as an indication by the Commission or its staff that any violations of law have occurred with respect to any person, entity, or security.

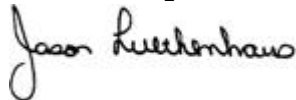
Please be advised that we have considered the foreseeable harm standard in preparing this response.

I am the deciding official with regard to this adverse determination. You have the right to appeal my decision to the SEC's General Counsel under 5 U.S.C. § 552(a)(6), 17 CFR § 200.80(f)(1). The appeal must be received within ninety (90) calendar days of the date of this adverse decision. Your appeal must be in writing, clearly marked "Freedom of Information Act Appeal," and should identify the requested records. The appeal may include facts and authorities you consider appropriate.

You may file your appeal by completing the online Appeal form located at https://www.sec.gov/forms/request_appeal, or mail your appeal to the Office of FOIA Services of the Securities and Exchange Commission located at Station Place, 100 F Street NE, Mail Stop 2465, Washington, D.C. 20549, or deliver it to Room 1120 at that address.

If you have any questions, please contact Jason Luetkenhaus of my staff at LuetkenhausJ@sec.gov or (202) 551-8352. You may also contact me at foiapa@sec.gov or (202) 551-7900. You may also contact the SEC's FOIA Public Service Center at foiapa@sec.gov or (202) 551-7900. For more information about the FOIA Public Service Center and other options available to you please see the attached addendum.

Sincerely,



For Adrienne M. Santos
FOIA Branch Chief

Enclosure

ADDENDUM

For further assistance you can contact a SEC FOIA Public Liaison by calling (202) 551-7900 or visiting <https://www.sec.gov/oso/help/foia-contact.html>.

SEC FOIA Public Liaisons are supervisory staff within the Office of FOIA Services. They can assist FOIA requesters with general questions or concerns about the SEC's FOIA process or about the processing of their specific request.

In addition, you may also contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA dispute resolution services it offers. OGIS can be reached at 1-877-684-6448 or via e-mail at ogis@nara.gov. Information concerning services offered by OGIS can be found at their website at [Archives.gov](https://www.archives.gov). Note that contacting the FOIA Public Liaison or OGIS does not stop the 90-day appeal clock and is not a substitute for filing an administrative appeal.



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100 F STREET, N.E.
WASHINGTON, D.C. 20549-5720

(b)(6); (b)(7)(C)

(b)(6);
(b)(7)(C) @SEC.GOV

December 9, 2021

Via email to stu@ripple.com

Ripple Labs Inc.
c/o Stuart Alderoty, General Counsel
315 Montgomery Street, 2nd Floor
San Francisco, CA 94104

Re: Ripple Liquidity Hub (MSF-04497)

Dear Mr. Alderoty:

This letter concerns Ripple's November 9, 2021 announcement regarding its planned launch of a "crypto liquidity platform" called "Ripple Liquidity Hub." In the November 9 announcement, Ripple described the platform as a "turnkey solution for financial institutions ... to source digital assets at optimized prices from market makers, exchanges, and OTC desks. Enterprises will use Ripple Liquidity Hub to easily and seamlessly provide their end customers with the ability to buy, sell and hold digital assets at the best possible prices across a range of venues." Ripple's Head of Product Asheesh Birla also described Ripple Liquidity Hub as a "one stop shop for enterprises to source any tokenized asset" for its customers, in a tweet that same day. Ripple further announced that its first partner for the alpha version of the platform is Coinme, which the announcement described as "the first licensed bitcoin ATM company in the United States, with thousands of locations across the country."

We are disappointed that Ripple has chosen to move forward with the Ripple Liquidity Hub platform without first seeking guidance from SEC staff in the Office of the Strategic Hub for Innovation and Financial Technology (FinHub) as to how the federal securities laws may apply to its conduct. Based on the information we currently possess, we are concerned that Ripple, either directly or indirectly, is planning to facilitate the offer and sale of XRP and other digital assets that are securities through the Ripple Liquidity Hub platform as an unregistered broker-dealer or exchange without an available exemption from registration under the Securities Exchange Act of 1934. Due to these concerns, we request that Ripple provide written responses to the following questions on or before December 23, 2021:

1. What steps has Ripple taken to confirm that no violation of the federal securities laws has or will occur through the launch and operation of the Ripple Liquidity Hub platform?
2. What is the purpose of the Ripple Liquidity Hub platform, how will it function, and who are its primary intended users?

3. Will the Ripple Liquidity Hub platform provide users the ability to offer, sell and execute trades in digital assets?
4. What role do other digital asset trading platforms, market makers, and/or other market participants play in the Ripple Liquidity Hub platform? What role does Ripple play?
5. What are all of the fees, costs, and other financial arrangements associated with the Ripple Liquidity Hub platform, including but not limited to payments for order flow and any sharing of monetary benefits from trade executions or capturing the spread?
6. What digital assets will be accessible through the Ripple Liquidity Hub platform?
7. What is the precise timing of the planned launch (either in alpha or beta) of the Ripple Liquidity Hub platform?
8. How will Coinme and/or Coinstar use or integrate the Ripple Liquidity Hub platform? What financial arrangements are in place or under negotiation between or among Ripple, Coinme, and/or Coinstar?
9. Who at Ripple is involved with the development, management, or marketing and sale of services through the Ripple Liquidity Hub platform, and what are their corresponding responsibilities?

As described above, our questions relate to the platform's features and offerings, its integration with other digital asset trading platforms, the role of Ripple and other market participants in providing liquidity, the relationship between Ripple and Coinme and/or Coinstar, and the precise timing of the platform's launch. Clarity is needed on the above questions in order for us to conduct our analysis of the potential application of the United States securities laws to the Ripple Liquidity Hub platform.

Your response should be sent to (b)(6); (b)(7)(C)@sec.gov and (b)(6); (b)(7)(C)@sec.gov), with a copy to me (b)(6); (b)(7)(C)@sec.gov) by 5:00 p.m. ET on December 23, 2021.

The staff also requests that you preserve all documents related to this request.

Enclosed is a copy of the Commission's Form 1662, entitled "Supplemental Information for Persons Requested to Supply Information Voluntarily or Directed to Supply Information Pursuant to a Commission Subpoena." This form explains how we may use the information that Ripple provides to the Commission and has other important information.

This is a non-public, fact-finding inquiry. The inquiry does not mean that we have concluded that anyone has violated the law or that we have a negative opinion of any person, entity, or security.

Thank you in advance for your anticipated cooperation. If you have any questions or would like to discuss this matter, you may contact (b)(6); (b)(7)(C)

Sincerely,

(b)(6); (b)(7)(C)

Division of Enforcement



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WASHINGTON, D.C. 20549-5720

(b)(6); (b)(7)(C)

(b)(6);
(b)(7)(C)

[@SEC.GOV](mailto:SEC@SEC.GOV)

December 14, 2021

Coinme, Inc.
113 Cherry St., Suite 77544
Seattle, WA 98104

Re: Ripple Liquidity Hub (MSF-04497)

Dear Coinme:

This letter concerns the November 9, 2021 announcement that Ripple will partner with Coinme for the release of Ripple's new product, the "Ripple Liquidity Hub." In the November 9 announcement, Ripple described the platform as a "turnkey solution for financial institutions ... to source digital assets at optimized prices from market makers, exchanges, and OTC desks. Enterprises will use Ripple Liquidity Hub to easily and seamlessly provide their end customers with the ability to buy, sell and hold digital assets at the best possible prices across a range of venues." The announcement stated that "Coinme will utilize the underlying technology platform of Liquidity Hub, with plans to unlock additional functionality as it becomes available." Coinme CEO Neil Bergquist was quoted as stating "Managing [Coinme's] extensive network requires around-the-clock access to liquidity 24/7/365 so we can provide the best prices to our customers for a variety of assets."

As you may be aware, the Commission commenced an enforcement action against Ripple and two executives in December 2020, alleging that XRP was offered and sold as an unregistered security. *SEC v. Ripple Labs, Inc., et al.*, No. 20-cv-10832 (S.D.N.Y. Dec. 22, 2020). The litigation is ongoing as against all parties and several motions are currently pending before Judges Torres and Netburn. As such, the issue of whether Ripple sold XRP as an investment contract in unregistered securities transactions is a question that the Court or jury will ultimately determine.

Based on information we currently possess, we are concerned that Coinme, either directly or indirectly, is planning to offer and sell, or facilitate the offer and sale, of XRP and other digital assets that are securities, through the Ripple Liquidity Hub platform as an unregistered broker-dealer without an available exemption from registration under the Securities Exchange Act of 1934. Due to these concerns, we request that Coinme provide written responses to the following questions on or before December 28, 2021:

1. What steps has Coinme taken to confirm that no violation of the federal securities laws has or will occur through its activities through the Ripple Liquidity Hub platform?

2. What is Coinme's purpose for using the Ripple Liquidity Hub platform and what services will it offer customers? How if at all does Coinme plan to integrate the Ripple Liquidity Hub platform with Coinstar machines?
3. What digital assets does Coinme plan to source, buy, sell or offer through the Ripple Liquidity Hub platform?
4. What are the "variety of assets" Mr. Bergquist referred to in the November 9, 2021 announcement?
5. What is the "additional functionality" that Coinme plans to unlock, as referenced in the November 9, 2021 announcement?
6. What are all of the fees, costs, revenue and other financial arrangements associated with Coinme's use of, or services provided through, the Ripple Liquidity Hub platform, including but not limited to payments for order flow and any sharing of monetary benefits from trade executions or capturing the spread?
7. Who at Coinme is involved with the development, negotiation, implementation, or marketing and sale of services through the Ripple Liquidity Hub platform, and what are their corresponding responsibilities?

Your response should be sent to (b)(6); (b)(7)(C)@sec.gov) and (b)(6); (b)(7)(C)@sec.gov), with a copy to me (b)(6); (b)(7)(C)@sec.gov) by 5:00 p.m. ET on December 28, 2021.

The staff also requests that you preserve all documents related to this request.

Enclosed is a copy of the Commission's Form 1662, entitled "Supplemental Information for Persons Requested to Supply Information Voluntarily or Directed to Supply Information Pursuant to a Commission Subpoena." This form explains how we may use the information that Coinme provides to the Commission and has other important information.

This is a non-public, fact-finding inquiry. The inquiry does not mean that we have concluded that anyone has violated the law or that we have a negative opinion of any person, entity, or security.

Thank you in advance for your anticipated cooperation. If you have any questions or would like to discuss this matter, you may contact (b)(6); (b)(7)(C)

Sincerely,

(b)(6); (b)(7)(C)

Division of Enforcement



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(b)(6); (b)(7)(C)

(b)(6);
(b)(7)(C) @SEC.GOV

December 14, 2021

Coinstar, LLC
330 120th Ave NE
Bellevue, WA 98005
Attn: Theresa Shaw

Re: Ripple Liquidity Hub (MSF-04497)

Dear Ms. Shaw:

This letter concerns the November 9, 2021 announcement that Ripple will partner with Coinme for the release of Ripple's new product, the "Ripple Liquidity Hub." In the November 9 announcement, Ripple described the platform as a "turnkey solution for financial institutions ... to source digital assets at optimized prices from market makers, exchanges, and OTC desks. Enterprises will use Ripple Liquidity Hub to easily and seamlessly provide their end customers with the ability to buy, sell and hold digital assets at the best possible prices across a range of venues." The announcement identified Coinme as "the largest licensed cryptocurrency cash network in the U.S., with thousands of locations across the country." The staff understands that Coinme primarily offers its services at those locations through Coinstar kiosks. According to the announcement, through the partnership, "Coinme will utilize the underlying technology platform of Liquidity Hub, with plans to unlock additional functionality as it becomes available."

As you may be aware, the Commission commenced an enforcement action against Ripple and two executives in December 2020, alleging that XRP was offered and sold as an unregistered security. *SEC v. Ripple Labs, Inc. et al.*, No. 20-cv-10832 (S.D.N.Y. Dec. 22, 2020). The litigation is ongoing as against all parties and several motions are currently pending before Judges Torres and Netburn. As such, the issue of whether Ripple sold XRP as an investment contract in unregistered securities transactions is a question that the Court or jury will ultimately determine.

Based on information we currently possess, we are concerned that Coinstar, either directly or indirectly, is planning to offer and sell, or facilitate the offer and sale, of XRP and other digital assets that are securities, through the Ripple Liquidity Hub platform as an unregistered broker-dealer without an available exemption from registration under the Securities Exchange Act of 1934. Due to these concerns, we request that Coinstar provide written responses to the following questions on or before December 28, 2021:

1. What steps has Coinstar taken to confirm that no violation of the federal securities laws has or will occur through its activities through Ripple Liquidity Hub platform?

2. What is Coinstar's purpose for using the Ripple Liquidity Hub platform and what services will it offer customers? How if at all does Coinstar plan to allow Coinme to integrate the Ripple Liquidity Hub platform with its machines?
3. What digital assets does Coinstar or Coinme plan to source, buy, sell or offer through the Ripple Liquidity Hub platform?
4. What are all of the fees, costs, revenue and other financial arrangements associated with Coinstar's use of, or services provided through, the Ripple Liquidity Hub platform, including but not limited to payments for order flow and any sharing of monetary benefits from trade executions or capturing the spread?
5. Who at Coinstar is involved with the development, negotiation, implementation, or marketing and sale of services through the Ripple Liquidity Hub platform and what are their corresponding responsibilities?

Your response should be sent to (b)(6); (b)(7)(C)@sec.gov) and (b)(6); (b)(7)(C)@sec.gov), with a copy to me (b)(6); (b)(7)(C)@sec.gov) by 5:00 p.m. ET on December 28, 2021.

The staff also requests that you preserve all documents related to this request.

Enclosed is a copy of the Commission's Form 1662, entitled "Supplemental Information for Persons Requested to Supply Information Voluntarily or Directed to Supply Information Pursuant to a Commission Subpoena." This form explains how we may use the information that Coinstar provides to the Commission and has other important information.

This is a non-public, fact-finding inquiry. The inquiry does not mean that we have concluded that anyone has violated the law or that we have a negative opinion of any person, entity, or security.

Thank you in advance for your anticipated cooperation. If you have any questions or would like to discuss this matter, you may contact (b)(6); (b)(7)(C)

Sincerely,

(b)(6); (b)(7)(C)

Division of Enforcement



December 15, 2021

United States Securities and Exchange Commission ("**SEC**")

100 F Street, N.E.

Washington, D.C. 20549-5720

Attn: (b)(6); (b)(7)(C)

Re: Response to SEC Letter Dated December 14, 2021

Dear (b)(6); (b)(7)(C)

Coinstar, LLC ("**Coinstar**") is in receipt of your letter dated December 14, 2021 (the "**Letter**"), regarding the Ripple ("**Ripple**") Liquidity Hub, MSF-04497. The Letter implies Coinstar "*either directly or indirectly, is planning to offer and sell, or facilitate the offer and sale, of XRP and other digital assets that are securities, through the Ripple Liquidity Hub platform....*"

By way of information, Coinstar has not engaged in discussions with Ripple about offering any product or platforms related to Ripple. Further, to the extent Coinstar has had any conversations with Coinme about Ripple, such conversations would have only been general in nature concerning whether Coinme proposed to offer such products in connection with the Coinstar product offering. There have been no specific Ripple conversations about actually offering Ripple on Coinstar kiosks and the parties have not previously, and do not plan, on offering XRP, the Ripple Liquidity Hub or other Ripple related digital securities.

As such, our response to the enumerated list of questions 1-5 of the Letter, is "*not applicable.*" We hope this closes out the matter with respect to Coinstar. If not, feel free to contact me on my cell (b)(6); (b)(7)(C)

(b)(6); (b)(7)(C) if you have any further questions.

Sincerely,

DocuSigned by:
A handwritten signature in black ink that reads "Theresa Shaw".
E0F3A270DA0C401...

Theresa Shaw

General Counsel

Cc: (b)(6); (b)(7)(C)



December 23, 2021

Via email to (b)(6); (b)(7)(C)@sec.gov, (b)(6); (b)(7)(C)@sec.gov

(b)(6); (b)(7)(C)

U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-5720

Re: Ripple Liquidity Hub (MSF-04497)

Dear (b)(6); (b)(7)(C)

This is in response to (b)(6); (b)(7)(C) cover email dated December 10, 2021, and the accompanying letter from (b)(6); (b)(7)(C) dated December 9, 2021. (b)(6); (b)(7)(C) letter requested a response by December 23, 2021. That requested response date – less than two weeks after the letter was sent and in the middle of the holiday season – is unreasonable under any circumstances. That date is even more unreasonable here given that, as the SEC is well aware, Ripple is in the midst of completing expert discovery in *SEC v. Ripple Labs Inc.* (the “Litigation”). Numerous depositions have taken place in the past few weeks and there are numerous more scheduled in the coming weeks under the expedited discovery schedule. Ripple’s resources now and in the coming weeks are therefore focused on meeting its discovery obligations in the Litigation rather than on this new request.

Moreover, your statement that the SEC is “disappointed that Ripple has chosen to move forward with the Ripple Liquidity Hub platform without first seeking guidance from SEC staff in the Office of Strategic Hub for Innovation and Financial Technology (FinHub) as to how the federal securities laws may apply to its conduct” is confounding given: (a) the pending Litigation and Ripple’s efforts for over two years to work with the SEC prior to its filing; (b) the fact that the SEC is not Ripple’s prudential regulator; and (c) the numerous public reports indicating that engagement with the SEC has ultimately been met with an enforcement action or a threat of one, with no guidance at all. There is no requirement or obligation that Ripple consult with the SEC over how to conduct its business.

Having said that, your letter – while making clear that this is a “fact-finding inquiry [and] does not mean that we have concluded that anyone has violated the law” – appears to focus on how the federal securities laws may apply to Ripple’s introduction of its Liquidity Hub product. Given Ripple’s current plans, we do not believe the product poses any securities-related issue.

Liquidity Hub is a software product which allows customers – Coinme in the first instance as an “Alpha” customer, and additional customers in the future – to use smart order routing to trade

select digital assets at optimized prices from existing liquidity venues, such as exchanges and OTC desks.

Through Liquidity Hub, Ripple is planning to provide its customers access to the following digital assets at launch: BTC, ETH, BCH, ETC, and LTC. XRP is not on this list. These five supported digital assets have been listed on many platforms within the United States for years without any objection by the SEC.¹ Thus, there is no basis to your statement that Ripple is “planning to facilitate the offer and sale of ... digital assets that are securities.” There is no conceivable securities violation arising from Ripple’s Liquidity Hub activities and the continuation of this inquiry will be reasonably seen as an effort to unfairly target and intimidate Ripple, and evade discovery orders and deadlines, in the midst of the Litigation.

I trust that this addresses the concerns raised in your letter.

Ripple preserves and does not waive any privileges.

Respectfully,



Stuart Alderoty
General Counsel

cc: (b)(6); (b)(7)(C)@sec.gov)

¹ See Director William Hinman, Division of Corporation Finance, Remarks at the Yahoo Finance All Markets Summit: Crypto, Digital Asset Transactions: When Howey Met Gary (Plastic), (June 14, 2018), <https://www.sec.gov/news/speech/speech-hinman-061418> (stating that Ether is not a security); Chairman Clayton, CNBC Television Interview (June 6, 2018) (stating that Bitcoin is not a security).



SEC DIVISION OF ENFORCEMENT

Case Closing Report

As of: 08/04/2023

Matter No.: MSF-04497 **Matter Name:** Ripple Liquidity Hub

The undersigned has been designated by the Director of the Division of Enforcement to exercise delegated authority to terminate and close all investigations authorized by the Commission pursuant to Section 20 of the Securities Act of 1933 [15 U.S.C. 77t], Section 21 of the Securities Exchange Act of 1934 [15 U.S.C. 78u], Section 18 of the Public Utility Holding Company Act of 1935 [15 U.S.C. 79r], Section 42 of the Investment Company Act of 1940 [15 U.S.C. 80a-41], and section 209 of the Investment Advisers Act of 1940 [15 U.S.C. 80b-9].

I hereby close this case, pursuant to delegated authority.

Jorge J. Tenreiro

Signature

Crypto Asset & Cyber Unit Deputy Chief

Title

August 9, 2023

Date