

November 12, 2025



Digital Assets Team
Australian Securities and Investments Commission
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Melbourne VIC 3001

Email: fintech@asic.gov.au

CS32: Proposed relief for certain stablecoins and wrapped tokens, and extension of omnibus accounts for digital asset custody

Dear Sir/Madam,

Ripple Labs Inc. ("Ripple") welcomes the opportunity to provide feedback on the draft ASIC Corporations (Stablecoin and Wrapped Token Relief) Instrument (the "Instrument")¹, published by the Australian Securities and Investments Commission ("ASIC") on 29 October 2025.

Ripple is the leading provider of digital asset infrastructure for financial institutions - delivering simple, compliant, reliable software that reduces friction and enhances innovation in global finance. Ripple's solutions leverage the XRP Ledger, the digital asset XRP, and the stablecoin Ripple USD (RLUSD) to power blockchain use cases at scale. With a proven track record working alongside regulators and policymakers around the world, Ripple's payments, custody, and stablecoin solutions are pioneering the digital asset economy - building credibility and trust in enterprise blockchain. Together with customers, partners, and leading crypto businesses, we are transforming the way the world moves, stores, and exchanges value.

We would also like to thank ASIC for the opportunity to respond to the previously issued and related consultation paper 381, which proposed updates to Information Sheet 225 Crypto-assets ("INFO 225") published on 4 December 2024², which Ripple has responded to separately³. We are encouraged to see that elements of our feedback have been considered as part of this draft Instrument, and we respectfully request that you take this further response into consideration as you consider the policy direction of the regulatory regime for stablecoins.

¹ See <https://download.asic.gov.au/media/qe0lfxyg/attachment-1-to-cs32-published-29-october-2025.pdf>, ASIC Corporations (Stablecoin and Wrapped Token Relief) Instrument.

² See <https://download.asic.gov.au/media/ncfckqeq/cp381-published-4-december-2024.pdf>, Updates to INFO 225: Digital assets: Financial products and services.

³ See https://download.asic.gov.au/media/gspln0qv/ripple_redacted.pdf, Ripple response to Updates to INFO 225: Digital assets: Financial products and services.

Ripple commends ASIC for taking a pragmatic, forward-looking approach with this draft Instrument, that aligns with global efforts to establish clear regulatory pathways for responsible digital asset innovation, particularly for stablecoins.

We believe the Instrument represents a crucial and well-balanced regulatory step. By providing targeted exemptions from Australian Market Licence, Australian Clearing and Settlement Facility, and Australian Financial Services Licence requirements for distributors, the Instrument successfully balances the need to facilitate innovation and global market participation with the core responsibility of protecting Australian retail investors.

We are particularly supportive of ASIC's decision to introduce the concept of an 'exempt foreign issuer' and the eligibility for stablecoins issued by such entities to be distributed in Australia. Ripple strongly supports allowing a broad mix of regulated stablecoins to circulate, including those issued overseas, which we believe will ensure a robust and competitive market in Australia. We view cross-border interoperability as essential to unlocking the full potential of this asset class and would welcome further guidance from ASIC as to the treatment of non-locally issued stablecoins in Australia and the process for confirming such assets are subject to a sufficiently high standard of regulation in their home jurisdiction

As a stablecoin issuer operating globally, Ripple believes that the Instrument is effective in supporting the development of the digital asset ecosystem in Australia by:

1. Promoting liquidity and competition: By providing targeted licensing and disclosure exemptions to Australian distributors dealing in products issued by an exempt foreign issuer, the Instrument lowers the barriers to entry for compliant foreign products. We believe this will encourage competition while offering Australian retail customers access to a greater range of mature, well-governed, and liquid global stablecoins.
2. Leveraging global standards: The clear conditions defining an eligible stablecoin and eligible stablecoin issuer, especially the requirements around reserves, redemption rights, and segregation of assets, will ensure a high degree of investor protection without imposing unnecessary, duplicative domestic licensing burdens on stablecoin issuers already regulated overseas.
3. Operational certainty: We strongly support the explicit recognition of foreign audit reports for annual reserve attestation as outlined in Section 12(1)(b)(ii)(B). This provision is vital, acknowledging that an exempt foreign issuer is typically subject to audit requirements in its home jurisdiction, thereby streamlining compliance and increasing efficiency.
4. Market activity clarity: We also strongly support the transaction confirmation exemption in Section 10, which relieves the eligible

stablecoin issuer from the obligation to provide transaction confirmations for transactions in which it is not a party. This is a crucial exemption for enabling secondary market activity for eligible stablecoins.

However, it is worth noting that the Instrument requires that the issuer's published report identifies that the reserves comprise 'only cash or cash equivalents' which are expanded upon as 'short term highly liquid investments'. We believe that this composition requirement could be further refined to ensure alignment to other prominent regulatory regimes and international standards for stablecoins to promote greater harmonisation. For example:

1. In its high level recommendations for global stablecoin arrangements, the Financial Stability Board states that the composition of reserve assets should consist only of conservative high-quality and highly liquid assets;⁴
2. The European Union's Markets in Crypto-Assets Regulation ("MiCA") requires that in addition to cash, reserve assets may be invested in secure low risk assets that qualify as highly liquid financial instruments; and
3. In the United States, the Guiding and Establishing National Innovation for U.S. Stablecoins ("GENIUS") Act defines what constitutes short term highly liquid investments with particularity. In addition to cash, acceptable reserve assets under GENIUS consist of money market funds and U.S. Treasuries with a tenor of 93 days or less, and repurchase transactions with said Treasuries. We recommend following GENIUS reserve requirements for US dollar-denominated stablecoins.

Overall, Ripple believes the Instrument provides a robust, risk-based framework that supports the growth of institutional digital asset activity in Australia while maintaining strong consumer safeguards. We consider the Instrument to be an effective mechanism for managing the transition towards a fully regulated digital asset environment and look forward to its finalisation.

Should ASIC wish to discuss any of the points raised as part of this feedback, please do not hesitate to contact [REDACTED]

Sincerely,
Ripple Labs Inc.

⁴ See <https://www.fsb.org/uploads/P170723-3.pdf>, *High-level Recommendations for the Regulation, Supervision and Oversight of Global Stablecoin Arrangements*.