Ripple & XRP Overview

UNSW Blockchain & DLT Symposium

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1. Who We Are
2. Solutions
3. XRP: The Digital Asset for Payments
4. Platform for Innovation
5. Q&A
Who We Are
Company Overview

- San Francisco
- New York
- London
- Luxembourg
- Tokyo
- SBI Ripple Asia
- Mumbai
- Singapore
- Sydney

Our Investors
- Google Ventures
- Santander
- Standard Chartered
- Accenture
- Seagate

Total Funding
- $94M

Founded 2012
Our Vision

The Internet of Value:
Enable the world to move money like information moves today.
OUR MISSION

To remove friction from global payments.
Sample of Our Growing Network of 100 Customers
xCURRENT Overview
Bidirectional Messaging Lowers Operational Costs

- Information Transparency
- No Payment Failures
- Automated Reconciliation

Bidirectional Messaging

- Originating Bank: xCurrent, Messenger, ILP Ledger, Real-time Settlement
- Beneficiary Bank: xCurrent, Messenger, ILP Ledger, Real-time Settlement

Validator
Settlement Through Ripple Enables New Offerings

- **Messenger**
- **Originating Bank**
- **Beneficiary Bank**
- **ILP Ledger**
- **Validator**
- **Realt-time Settlement**

**Atomic Settlement**
- Real-Time Payments
- No Settlement Risk
- 24/7 On-Demand Availability
**Messenger**: Provides a set of services for integration of payment processing, manages the secure messaging between partner institutions and the orchestration of the end-to-end payment.

**ILP Ledger**: Stores and manages liquidity positions between the participants, this ledger would coordinate movement of funds in hold and liquidity provider accounts based on cryptographic events. Operated at each participant.

**Connector**: Service which connects to sending and receiving ILP ledgers, provides rates for exchange (FX) and executes the transfer between its own funds and escrow. Operated by liquidity provider.

**Validator**: Service which coordinates the execution of transfer between the connector and ILP Ledger, providing a final non-repudiable outcome of the settlement. Generally operated by the liquidity owner, can be operated by a third party.
XRP
The Digital Asset for Payments
Performance at Scale

- XRP Has The Lowest Cost Per Transaction: XRP $0.0004, BCH $0.26, LTC $0.37, DASH $0.64, ETH $0.96, BTC $28.23

- XRP Only Takes 3 Seconds Per Transaction: XRP 3 secs, BTC 3960 secs, ETH 117 secs, BCH 3478 secs, DASH 929 secs, LTC 1008 secs

- Transactions Per Second: DASH 10, BTC 16, ETH 16, BCH 24, LTC 56, XRP 1500+
The XRP Ecosystem is Maturing
Use Cases for XRP

Nostro replacement, Universal Bridge
Today: Pre-Funding in Destination Currencies Is Expensive
Problem: Delayed Settlement Results In Trapped Cash

$27 Trillion

Float sitting in transaction accounts globally
xRapid Eliminates Pre-Funding in Destination Currencies

- USD
- BRL
- XAF
- UAH
- JPY
- THB
- AUD
xRapid reduces the opportunity cost of capital

No Float

Liquidity on demand
xRapid Overview
xRapid is an API-based Product
xRapid provides **on-demand access to liquidity** through digital asset exchanges.

**FAST**
Transactions are instant (3-5 secs) across exchanges, and vary depending on local rails.

**TRANSPARENT**
Real time APIs provide to the second status of their payments via APIs.

**LOW COST**
Reduce costs significantly with lowered transfer fees, and FX rates that beat or match spot FX.
## xRapid Competitive Advantage

<table>
<thead>
<tr>
<th>Settlement rail</th>
<th>Speed</th>
<th>FX Cost</th>
<th>Other Costs</th>
<th>Certainty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bitcoin, Ethereum, etc</td>
<td>Several hours</td>
<td>70 bps</td>
<td>$10.00 avg network fee</td>
<td>Delivery confirmation</td>
</tr>
<tr>
<td>SWIFT/nostro account</td>
<td>Days</td>
<td>70-150 bps</td>
<td>Cost of maintaining nostro account</td>
<td>No confirmation</td>
</tr>
<tr>
<td>xRapid + XRP</td>
<td>Minutes</td>
<td>30 bps*</td>
<td>$0.001 avg network fee</td>
<td>Delivery confirmation</td>
</tr>
</tbody>
</table>

* subsidized based on competitive FX rates
Cuallix Use Case

**Problem:** Cuallix required costly pre-funding to support payments into Mexico

**Solution:** xRapid eliminated pre-funding by leveraging XRP and liquidity at digital asset exchanges

**Results:** Payments in 2-3 minutes at a fraction of the cost
Modernizing Payment Infrastructure

We believe that modernizing a common clearing + settlement architecture and infrastructure is an opportunity for innovation and will unlock much larger value up the stack. A consulting approach to exploration and trial can mitigate risks as the technology evolves.
Ripple: Platform for Innovation

Central Banks and national Infrastructures can engage with Ripple to innovate with proven building blocks in Distributed Ledger Technology. Preserve sovereign rights while transacting seamlessly with regional economies for global growth.

**NATIONAL PAYMENTS**
Immediate Payments PLUS xBorder Platform for cyber-resilience.

**INTEROPERABILITY**
Connect with other national platforms to spur regional economies.

**DIGITAL ASSETS**
Experiment with digital/crypto assets on private or public distributed ledger technologies.
Appendix

XRP Consensus vs Proof of Work
XRP Is An Open System

1. Amendments are proposed as pull requests on Github
2. Validators vote on each amendment
3. Successful amendments go live on the network
Bitcoin/Ethereum Miners Can Vote Regardless of User Opinion.
XRP Validators Are Appointed By Users

Users decide their Unique Node Lists (UNLs) — the list of validators they will listen to.
China accounts for **70%** of BTC/ETH mining.
XRP Validators Are Globally Distributed

Users decide which validators are trusted.
Proof-of-work incentivizes only mining

The cheaper you can mine, the more money you make.
Proof-of-work incentivizes only mining

The cheaper you can mine, the more money you make.
Ripple Consensus incentivizes what users value

Ripple validators are chosen by Ripple users (banks, payment providers, etc) and are selected based on security, track record, jurisdiction, etc.
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XRP Is The First Enterprise-Ready Digital Asset

Built with security, scalability and compliance in mind.