

United States District Court for the Western District of Washington

Notice of Proposed Class Action Settlement

A federal court authorized this Notice. It is not a solicitation from a lawyer. You are not being sued.

BACKGROUND & INTRODUCTION

- A settlement has been proposed to end a class action lawsuit against Robinhood Financial, LLC (“Defendant” or “Robinhood”), known as *Moore v. Robinhood Financial LLC*, No. 2:21-cv-01571-BJR (W.D. Wash.) (the “Lawsuit”). The Lawsuit alleges that Robinhood violated Washington law by substantially assisting in the transmission of unsolicited commercial text messages to prospective customers as part of its refer-a-friend marketing program.
- Defendant denies any wrongdoing. Defendant claims it has abided by all state and federal laws, and that the Lawsuit is not well grounded in law or fact. As part of the proposed settlement, Defendant does not admit to any wrongdoing, maintains its compliance with the law, and continues to deny the allegations against it.
- The parties in the Lawsuit have agreed to resolve the Lawsuit on a class action basis. As described further below, if the Settlement is approved by the Court, Robinhood will pay \$9 million to fully and finally resolve the claims of the “Settlement Class,” defined as “All persons or entities who received a Robinhood referral program text message, and who were Washington residents at the time of the receipt of such text message, between and including August 9, 2017 and February 13, 2024. Persons and entities who clearly and affirmatively consented in advance to receive Robinhood referral program text messages are excluded from the class.”
- The Court has scheduled a final approval hearing for July 16, 2024. If the Settlement is approved and becomes final, you will be issued a payment if (i) you are a member of the Settlement Class; and (ii) you file a valid claim form before **May 13, 2024**. Even if you do not file a Claim Form, your rights will be affected if you are a member of the Settlement Class and you do not exclude yourself from the Settlement. Read below, visit www.RobinhoodReferralSettlement.com, or call (877) 231-0646 for more information.

YOUR LEGAL RIGHTS AND OPTIONS

<i>File a Claim by May 13, 2024 to Receive Payment</i>	<p>If you are a member of the Settlement Class, you have a right to complete a Claim Form to share in the settlement proceeds paid by Robinhood to settle the Lawsuit, estimated to be between \$45 and \$90 per Settlement Class Member that files a timely and valid Claim Form.</p> <p>A Claim Form can be obtained from at www.RobinhoodReferralSettlement.com. A Claim Form can be (a) completed and submitted electronically on the website, or (b) printed, completed, and submitted by mail.</p> <p>If your Claim Form is approved and the Settlement is approved by the Court and becomes final, you give up your right to bring your own lawsuit about the issues in this Lawsuit.</p>
<i>Do Nothing</i>	<p>If you do nothing and the Settlement becomes final, you will not be issued a Settlement payment. If you are a member of the Settlement Class and the Settlement is approved by the Court and becomes final, you give up your right to bring your own lawsuit about the issues in this Lawsuit.</p>
<i>Exclude Yourself by May 13, 2024</i>	<p>If you exclude yourself from the Settlement (also called “opting out”), you give up your right to receive a Settlement payment, but you retain any rights you may have to bring your own lawsuit about the issues in this Lawsuit.</p>
<i>Object or Comment by May 13, 2024</i>	<p>If you are a member of the Settlement Class and do not exclude yourself from the Settlement, you may object to or comment about the Settlement and/or Class Counsel’s request for attorneys’ fees, expenses, and service awards to the Class Representatives.</p>

THESE RIGHTS AND OPTIONS ARE EXPLAINED IN THIS NOTICE

Questions? Visit www.RobinhoodReferralSettlement.com or call toll-free at (877) 231-0646

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BASIC INFORMATION ABOUT THE LAWSUIT

1. What is this Notice?

This Notice explains that the parties in the Lawsuit known as *Moore v. Robinhood Financial LLC*, No. 2:21-cv01571-BJR (W.D. Wash.) (the “Lawsuit”) have agreed to resolve the Lawsuit on a class action basis and that the Court has preliminarily approved the Settlement. If you are a member of the Settlement Class, you have legal rights and options that you may exercise, as explained in this Notice.

2. What is the Lawsuit about?

This lawsuit is about whether Robinhood violated Washington state laws, including Washington’s Commercial Electronic Mail Act (“CEMA”) and the Washington Consumer Protection Act (“CPA”), by substantially assisting Robinhood users in the transmission of unsolicited commercial text messages to prospective customers as a part of its refer-a-friend marketing program. Specifically, the Settlement Class Representatives allege that Robinhood’s trading app allowed users to generate and send pre-filled text messages to one or more of the user’s contacts, which contained a hyperlink for the contact(s) to sign up for a Robinhood account, without first obtaining the recipients’ clear and affirmative consent to receive commercial text messages. Under the CEMA, a person is entitled to \$500 per unlawful text message and, under the CPA, a court may award an additional payment up to \$1,500 as well as reasonable attorneys’ fees and costs.

Defendant denies any wrongdoing and believes it has fully complied with the law. Defendant has asserted many defenses it believes would be successful at trial. In agreeing to settle, Defendant maintains that it complied with the law and does not admit any wrongdoing. The settlement is not an admission of wrongdoing.

The Lawsuit is proceeding in the United States District for the Western District of Washington before the Honorable Judge Barbara J. Rothstein.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” (in this case, Cooper Moore and Andrew Gillette), sue on behalf of themselves and other people who have similar claims. These people together are called a “Class” or “Class Members.” The Class Representatives and all the Class Members are called Plaintiffs. The company that the Plaintiffs sue, Robinhood Financial LLC, is called the Defendant. One court resolves the issues for all Class Members—except for those who choose to exclude themselves.

4. What has happened in the Lawsuit?

On August 9, 2021, Class Representative Moore commenced an action on behalf of a putative class by filing a complaint against Robinhood alleging that it violated CEMA and the CPA (“Complaint”). Class Representative Gillette was added to the Lawsuit on February 9, 2022 when the Class Representatives filed a First Amended Complaint. Defendant moved to dismiss the Lawsuit, claiming that the First Amended Complaint failed, as a matter of law, to state a viable claim for relief. On August 3, 2022, the Court denied Robinhood’s motion. The parties have since engaged in substantial discovery regarding the Class Representatives’ claims and Robinhood’s defenses.

The Court has not decided whether Robinhood did anything wrong. The Court also has not made any determination that this Lawsuit should proceed as a class action, as opposed to individual claims brought by the Class Representatives. This Notice should not be interpreted as an expression of the Court’s opinion on the merits of the lawsuit.

5. What is the current status of the Lawsuit?

The Class Representatives and Robinhood have now agreed to a Settlement to resolve the Lawsuit, as described below. Deadlines unrelated to the Settlement of the Lawsuit are currently stayed while the parties notify the Settlement Class of the proposed Settlement and seek final approval of the Settlement from the Court.

DETERMINING IF YOU ARE A MEMBER OF THE CLASS

6. How do I know if I am a Settlement Class Member?

You are a member of the Settlement Class if you (1) received a Robinhood referral program text message between August 9, 2017 and February 13, 2024, (2) were a Washington resident at the time you received the text message, and (3) you did not clearly and affirmatively consent in advance to receive the Robinhood referral program text message.

If you received a notice of this Settlement via email or mail, records indicate that you may have received a text message as part of Robinhood's refer-a-friend marketing program on or after August 9, 2017. People who did not receive email or mail Notice may still be part of the Settlement Class if they meet the requirements described above.

7. Are there exceptions to being included in the Settlement Class?

The Settlement Class does not include Defendant, any entity that has a controlling interest in Defendant, and Defendant's current or former directors, officers, counsel, and their immediate families. The Settlement Class also does not include any persons who validly request exclusion from it.

8. Are you still not sure if you're included?

If you are still not sure whether you are included in the Settlement Class, you can get free help at www.RobinhoodReferralSettlement.com, or by calling or writing to the lawyers appointed by the Court to represent the Settlement Class in this case ("Class Counsel") at the phone numbers or addresses listed in response to question 22.

THE PROPOSED SETTLEMENT

9. What are the terms of the proposed Settlement?

The complete terms of the proposed settlement are set forth in the Settlement Agreement, which is available at www.RobinhoodReferralSettlement.com. This Notice provides only a summary of the terms of the Settlement.

10. What are the benefits of the proposed Settlement?

If the Settlement is approved and becomes final, Robinhood will pay nine million dollars (\$9,000,000.00) into a settlement fund. This money will be used to: (1) make settlement payments to eligible Settlement Class Members, (2) pay the costs of distributing notice and settlement payments to Settlement Class Members and other costs of administering the Settlement; and (3) pay court-awarded attorneys' fees and litigation expenses of Class Counsel and any service awards granted to the Class Representatives. You must decide whether to stay in the Class or opt out of it.

If you are a Settlement Class Member, **you need to complete and submit a Claim Form by May 13, 2024 to receive a settlement payment.** Claim Forms are available on the settlement website, www.RobinhoodReferralSettlement.com.

11. What claims will be released by the proposed Settlement?

If you are a Settlement Class Member and do not exclude yourself from the Settlement, and the Settlement is approved and becomes final, the Settlement will be legally binding on you. In exchange for the opportunity to obtain settlement benefits, you will release any and all claims and rights, whether known or unknown, that arise out of or relate in any way to text messaging regarding the Robinhood referral program to any telephone number, that have been, or could have been, brought in the Lawsuit, as well as any Claims arising out of the same nucleus of operative facts as any of the claims asserted in the Lawsuit.

12. How much will Settlement payment be and how will the payments be sent?

If the Settlement is approved and becomes final, Settlement Class Members who do not exclude themselves from the Settlement Class and who complete and submit a timely and valid Claim Form will be issued a Settlement payment. The settlement fund will be distributed to all Settlement Class Members who submit timely and valid Claim Forms, after the

deduction of settlement costs, attorneys' fees and expenses awarded by the Court, and any service awards granted to the Class Representatives. It is estimated by Class Counsel that Settlement payments will range between \$45 and \$90 per Settlement Class Member, although the actual amount could be higher or lower depending on how many valid Claim Forms are received.

If you are a Settlement Class Member, **you need to complete and submit a Claim Form by May 13, 2024 to receive a Settlement payment.** Claim Forms are available on the settlement website, www.RobinhoodReferralSettlement.com. The Claim Form allows Settlement Class Members to elect the method by which to receive payments including paper checks, Venmo, PayPal, etc.

For any Settlement payments that are uncashed or deemed undeliverable by the Settlement Administrator, the funds will be distributed by one or both of the following means: (1) a pro rata second distribution to those Settlement Class Members who cashed/received their initial Settlement payments (if there are sufficient residual funds to justify the administrative costs of such distribution); and/or (2) distribution to the Legal Foundation of Washington.

YOUR OPTIONS AS A SETTLEMENT CLASS MEMBER

13. What are my options now as a Settlement Class Member?

You must decide whether to stay in the Class or exclude yourself from the Settlement.

14. What happens if I choose to stay in the Settlement Class?

If you choose to stay in the Settlement Class, you have the option to (1) do nothing; or (2) complete and submit a Claim Form by **May 13, 2024**, in order to share in the payment of the settlement proceeds. Under either option, by choosing to stay in the Settlement Class and if the Settlement becomes final, you give up any rights to sue the Defendant separately about the same issues in this Lawsuit. See Question 11.

By staying in the Settlement Class, you may object to or comment on the Settlement and/or or to Class Counsel's request for attorneys' fees, litigation expenses, and service awards. You do not need to object or comment in order to receive a Settlement payment.

15. How do I obtain and submit a Claim Form?

In order to share in the payment of the Settlement proceeds, you must (1) be a Settlement Class Member; and (2) complete and submit a valid Claim Form by **May 13, 2024**. You can obtain a Claim Form on the settlement website, www.RobinhoodReferralSettlement.com.

The Claim Form requires Settlement Class Members to provide their claims code, if they have one, and to identify the phone number at which they received the Robinhood referral text message. Settlement Class Members must also provide their contact information and attest that they: (1) received one or more Robinhood referral program text messages from a Robinhood customer at the cellular telephone number they identified, (2) that the Settlement Class Member owns or is the regular user of that phone number, (3) that the Settlement Class Member was a Washington resident at the time they received the referral program text message; and (4) that the Settlement Class Member did not clearly and affirmatively consent in advance to receive the Robinhood referral program text message(s) while a Washington resident. The Claim Form allows Settlement Class Members to elect the method by which to receive payments including paper checks, Venmo, PayPal, etc.

If you do not have a claims code but provide a phone number that can be verified, then you must provide on the Claim Form the Washington address at which you resided at the time of receipt of the refer-a-friend program text message(s). If the address cannot be verified, the Settlement Administrator may contact you and ask you to provide proof of Washington residence at the time of the receipt of the Robinhood referral text message. Acceptable proof of residence includes, for example, an image of your Washington driver's license; employment documents reflecting your name and a Washington address; or a bill (utility, credit card, mobile phone, or other) reflecting your name and a Washington address. The name you provide on the Claim Form should match the name on your proof of residence. The Settlement Administrator will communicate with you via the email address you provide on the Claim Form.

If you do not have a claims code or your phone number cannot be verified, then you must (1) provide on the Claim Form the Washington address at which you resided at the time of receipt of the refer-a-friend program text message(s); and (2) provide an image or screenshot of the Robinhood referral text message you received. If the address and/or image cannot be verified, the Settlement Administrator may contact you and ask you to provide proof of Washington residence or other information at the time of the receipt of the Robinhood referral text message. Acceptable proof of residence includes, for example, an image of your Washington driver's license; employment documents reflecting your name and a Washington address; or a bill (utility, credit card, mobile phone, or other) reflecting your name and a Washington address. The name you provide on the Claim Form should match the name on your proof of residence. The Settlement Administrator will communicate with you via the email address you provide on the Claim Form.

Once completed, the Claim Form can be submitted electronically on the settlement website or printed and mailed to the following address:

Robinhood Referral Settlement
c/o JND Legal Administration PO Box 91166
Seattle, WA 98111

Mailed Claim Forms must be postmarked by **May 13, 2024**. Each Settlement Class Member is entitled to submit only one Claim Form, regardless of the number of Robinhood referral text messages they received. If you submit a Claim Form through the settlement website, please do not submit a duplicate Claim Form by mail, and vice versa. Duplicate claim forms will be rejected.

16. Where do I find my claims code?

If you received an email notice of the Settlement, then your claims code is located at the top of the email. If you received a postcard notice of the Settlement in the mail, then your claims code is located on the front of the postcard above your name and address.

17. I provided a claims code but my phone number could not be verified. Can I still submit a claim?

If you provided a claims code but your phone number could not be verified, it means that your potential membership in the Settlement Class could not be verified using the available data. You may still submit a claim, but you will be required to (1) provide on the Claim Form the Washington address at which you resided at the time of receipt of the refer-a-friend program text message(s); and (2) provide an image or screenshot of the Robinhood referral text message you received. See the response to question 15 above for more information.

18. How do I object or comment?

If you are a Settlement Class Member, and have not excluded yourself from the Settlement, you can comment on or object to the Settlement, Class Counsel's request for attorneys' fees and litigation expenses, and/or the request for service awards for the Class Representatives. To object or comment, you must send a written objection/comment including the following:

- (a) the name and case number of this Lawsuit (*Moore v. Robinhood Financial LLC*, No. 2:21-cv-01571-BJR (W.D. Wash.));
- (b) your full name, mailing address and telephone number;
- (c) an explanation of the basis for your contention that you are a Settlement Class Member, including the cellular telephone numbers on which you received a Robinhood referral text message;
- (d) an explanation of the basis for your objection, including all grounds for the objection and any legal support;
- (e) the name and telephone number of any attorney representing you in this matter, or any attorney who may be entitled to compensation for any reason related to the objection, whether counsel intends to submit a request for fees, and all factual and legal support for that request;
- (f) a statement about whether or not you intend to appear at the Final Approval Hearing, and if so, the identity of all counsel representing you who will appear at the Final Approval Hearing (who must enter a written Notice of Appearance of Counsel with the Clerk of the Court);

- (g) a list of all other class action settlements to which you or your attorney has previously filed an objection;
- (h) a list of any persons who will be called to testify at the Final Approval Hearing in support of the objection; and
- (i) your signature (your attorney’s signature is not sufficient).

Your comment or objection must be postmarked no later than **May 13, 2024**, and mailed to the following address:

Robinhood Referral Settlement
c/o JND Legal Administration PO Box 91166
Seattle, WA 98111

19. What happens if I exclude myself from the Settlement Class?

You may exclude yourself from the Settlement Class by following the steps described in response to Question 20. If you exclude yourself from the Settlement, or “opt out,” you give up the right to receive any benefits from the Settlement and you cannot comment or object to the Settlement. However, you will keep any rights you may have to sue Robinhood regarding the issues in this Lawsuit.

20. How do I exclude myself from the Settlement Class?

If you do not want to remain a member of the Class, you must mail a written “Request for Exclusion” to the Settlement Administrator that is postmarked no later than **May 13, 2024**. Your written request must include:

- Your name, address, and telephone number;
- A statement confirming that you want to exclude yourself from the Settlement Class;
- The case name and number (*Moore v. Robinhood Financial LLC*, No. 2:21-cv-01571-BJR (W.D. Wash.)); and
- Your signature and the date.

Your Request to Opt Out must be mailed to the following address:

Robinhood Referral Settlement
c/o JND Legal Administration PO Box 91166
Seattle, WA 98111

21. What happens if I do nothing?

If you are in the Settlement Class and you do nothing, you will stay in the Settlement Class. If the Settlement is approved and becomes final, you will not be issued a Settlement payment and you will not be able to sue Robinhood about the issues in this Lawsuit. You will also be legally bound by all of the orders that the Court issues and judgments the Court makes as to the Settlement Class.

THE LAWYERS REPRESENTING YOU

22. As a Class Member, do I have a lawyer representing my interests in this Class Action?

Yes. The Court has appointed the following attorneys and law firms to represent the Settlement Class Members. Together, these lawyers are called “Class Counsel.” You can contact them at (206) 454-7308 or robinhoodsettlement@terrellmarshall.com.

TERRELL MARSHALL LAW
GROUP PLLC
Beth E. Terrell
Jennifer Rust Murray
936 North 34th Street, Suite 300
Seattle, Washington 98103

BERGER MONTAGUE PC
Sophia M. Rios
401 B Street, Suite 2000
San Diego, CA 92101

BERGER MONTAGUE PC
E. Michelle Drake
1229 Tyler Street NE, Suite 205
Minneapolis, Minnesota 55413

23. How will the lawyers be compensated, and will the Class Representatives receive compensation?

Class Counsel will file a motion on or before April 12, 2024 asking the Court to award them attorneys' fees up to one-fourth of the \$9 million settlement fund and for reimbursement of reasonable litigation expenses and costs. The attorneys' fees and expenses awarded by the Court will be the only payment to Class Counsel for their efforts in achieving the Settlement and for their risk in undertaking this representation on a wholly contingent basis during the more than two years this case was litigated. Class Counsel will ask the Court on or before April 12, 2024 to compensate them for their efforts and commitment on behalf of the Settlement Class in this Lawsuit. They will ask the Court to pay them attorneys' fees not to exceed 25% of the \$9 million settlement fund (\$2,250,000), out of pocket costs currently estimated to be \$151,215, and Class Representative Awards of \$10,000 each to Plaintiffs Cooper Moore and Andrew Gillette (\$20,000 total). The Court will determine the amount of attorneys' fees, expenses, and service awards to award. Class Counsel's motion for attorneys' fees, expenses, and service awards will be available at www.RobinhoodReferralSettlement.com when it is filed.

24. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working for you. However, you are welcome to hire your own lawyer at your own expense. If you hire a lawyer to speak for you or to appear in Court, your lawyer must file a Notice of Appearance with the Court.

THE COURT'S FINAL APPROVAL HEARING

25. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 10:00 a.m. on July 16, 2024, via videoconference. Information on how to access the videoconference will be posted on this website once it is available. Please check www.RobinhoodReferralSettlement.com for updates or changes.

At the Final Approval Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider Class Counsel's application for attorneys' fees, expenses, and service awards. If there are objections, the Court will consider them. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

26. Do I have to come to the hearing?

No, you do not have to attend or participate in the Final Approval Hearing to receive a Settlement payment. Class Counsel will answer questions the Court may have. But you are welcome to come at your own expense. If you submit an objection, you do not have to come to the Court to talk about it. So long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

27. May I speak at the hearing?

If you are a Settlement Class Member and have not opted out of the Settlement, you may ask the Court for permission to speak at the Final Approval Hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

28. Where can I get more information?

This Notice contains a summary of relevant court papers. Complete copies of public pleadings, Court rulings and other filings are available for review and copying at www.pacer.uscourts.gov. Information is also available at www.RobinhoodReferralSettlement.com, or by contacting the Settlement Administrator at (877) 231-0646, or Class Counsel at (206) 454-7308 or robinhoodsettlement@terrellmarshall.com.

Please do not contact the Court or Judge Rothstein. They cannot answer any questions or discuss the Action.

DATED: March 14, 2024

BY ORDER OF THE UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON