

Julie Erickson, State Bar No. 293111 (julie@eko.law)
Elizabeth Kramer, State Bar No. 293129 (elizabeth@eko.law)
Kevin Osborne, State Bar No. 261367 (kevin@eko.law)
Erickson Kramer Osborne LLP
44 Tehama Street
San Francisco, CA 94105
Phone: 415-635-0631
Fax: 415-599-8088

Attorneys for Plaintiffs

Tiffany Cheung, State Bar No. 211497
(TCheung@mofo.com)
Mark David McPherson, State Bar No. 307951
(MMcPherson@mofo.com)
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, CA 94105-2482
Phone: 415-268-7000
Fax: 415-268-7522

Nicole V. Ozeran, State Bar No. 302321
(NOzeran@mofo.com)
MORRISON & FOERSTER LLP
707 Wilshire Blvd., Suite 6000
Los Angeles, CA 90017-3543
Phone: 213-892-5200
Fax: 213-892-5454

Attorneys for Defendants

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

SIDDHARTH MEHTA, KEVIN QIAN, and
MICHAEL FURTADO, individually and on
behalf of others similarly situated,

Plaintiffs,

vs.

ROBINHOOD FINANCIAL LLC;
ROBINHOOD SECURITIES, LLC; and DOES
1-10

Defendants.

Case No.: 21-CV-01013-SVK

**[PROPOSED] FINAL ORDER AND
JUDGMENT**

Courtroom: 6, 4th Floor
Judge: Hon. Susan van Keulen

1 On August 29, 2022, the Court entered an order granting preliminary approval (the
2 “Preliminary Approval Order”) to the Settlement Agreement between Plaintiffs Kevin Qian and
3 Michael Furtado, individually and on behalf of the Settlement Class (as defined below) and
4 Defendants Robinhood Financial LLC and Robinhood Securities, LLC (“Robinhood” or
5 “Defendants”).

6 Commencing on September 19, 2022 pursuant to the notice requirements in the
7 Settlement Agreement and the Preliminary Approval Order, Angeion Group (the “Settlement
8 Administrator”), provided Notice to Settlement Class Members in compliance with Section 3 of
9 the Settlement Agreement, due process, and Rule 23 of the Federal Rules of Civil Procedure.

10 The Notice:

11 (a) fully and accurately informed Settlement Class Members about the Litigation and the
12 existence and terms of the Settlement Agreement;

13 (b) advised Settlement Class Members of their right to request exclusion from the
14 Settlement and provided sufficient information so that Settlement Class Members were
15 able to decide whether to accept the benefits offered, opt out and pursue their own
16 remedies, or object to the proposed settlement;

17 (c) provided procedures for Settlement Class Members to file written objections to the
18 proposed settlement, to appear at the Final Approval Hearing, and to state objections to
19 the proposed settlement; and

20 (d) provided the time, date, and place of the Final Approval Hearing.

21 On May 16, 2022, the Court held a Final Approval Hearing to determine whether the
22 proposed settlement is fair, reasonable and adequate and whether judgment should be entered
23 dismissing this Litigation with prejudice. The Court reviewed (a) the Motion for Final
24 Approval (the “Motion”) and all supporting materials, including but not limited to the
25 Settlement Agreement; (b) any objections filed with or presented to the Court; and (c) the
26 Parties’ responses to any objections. The Court also considered the oral argument of counsel
27 and any objectors who appeared. Based on this review and the findings below, the Court finds
28 good cause to grant the Motion.

1 IT IS HEREBY ORDERED as follows:

2 1. The Court has jurisdiction over this Litigation, Plaintiffs, Defendants, and
3 Settlement Class Members, and any party to any agreement that is part of or related to the
4 Settlement. Venue is proper in this Court.

5 2. Pursuant to Rule 23(e), the Court hereby finds the Settlement is, in all respects,
6 fair, reasonable, and adequate and in the best interests of the Settlement Class.

7 a. Rule 23(e)(2)(A) is satisfied because the Plaintiffs and Settlement Class
8 Counsel have vigorously represented the Settlement Class.

9 b. Rule 23(e)(2)(B) is satisfied because the Settlement was negotiated at
10 arm's length by capable and experienced counsel, with full knowledge of the
11 facts, the law, and the risks inherent in litigating the Litigation, acting in the best
12 interests of their respective clients, under the supervision of an experienced
13 mediator.

14 c. Rule 23(e)(2)(C) is satisfied because the relief provided for the
15 Settlement Class is adequate considering the costs, risks, and delay of trial and
16 appeal. The claims process is a fair and reasonable way to optimize payments
17 and benefits to Settlement Class Members. The cybersecurity measures required
18 under the Settlement are meaningful and valuable. Defendants will pay
19 separately Settlement Class Counsel's attorneys' fees and litigation costs up to
20 \$500,000, and all Settlement administration costs, as well as service payments to
21 Settlement Class Representatives, without any reduction of Settlement Class
22 Member recoveries. There are no undisclosed side agreements. The Settlement
23 Agreement thus confers substantial benefits on the Settlement Class Members, is
24 not contrary to the public interest, and will provide the Parties with repose from
25 litigation. The Parties faced significant risks, expense, and/or uncertainty from
26 continued litigation of this matter, which further supports the Court's conclusion
27 that the Settlement is fair, reasonable, adequate and in the best interests of the
28 Settlement Class Members.

d. Rule 23(e)(2)(D) is satisfied as the Settlement treats Settlement Class Members equitably relative to each other because they are all eligible for the same payments and benefits under the Settlement.

CERTIFICATION OF THE SETTLEMENT CLASS

3. The Court certifies, for settlement purposes only, the following Settlement Class: All individuals currently residing in the United States whose Robinhood accounts were accessed by unauthorized users from January 1, 2020, through April 27, 2022, or who notified Robinhood that their Robinhood accounts were accessed by unauthorized users from January 1, 2020, through April 27, 2022. Excluded from the Class are those individuals who timely and validly requested exclusion.

4. The Court concludes, for purposes of the Settlement only, that the requirements of Federal Rules of Civil Procedure 23(a) and (b)(3) are satisfied. In support of this conclusion, the Court finds as follows:

a. The number of Settlement Class Members exceeds 40,000 and is thus too numerous for their joinder to be practicable. The Settlement Class is sufficiently ascertainable.

b. There are questions of law and fact common to the Settlement Class, and these common questions predominate over individualized questions for settlement purposes. The common questions include Robinhood's alleged failure to implement adequate cybersecurity measures to protect customer accounts.

c. Plaintiffs' claims are typical of the claims of the Settlement Class in that the claims arise from allegedly deficient uniform cybersecurity policies, procedures, and practices by Robinhood with respect to customer accounts.

d. Plaintiffs are adequate class representatives, whose interests in this matter are aligned with those of the other Settlement Class Members. The Court hereby confirms its appointment of Plaintiffs Kevin Qian and Michael Furtado as Class Representatives.

e. Additionally, the Court hereby confirms its appointment of Class

Counsel—Erickson Kramer Osborne LLP—who are experienced in prosecuting class actions involving similar claims, and who have committed the necessary resources to represent the Settlement Class.

f. A class action is a superior method for the fair and efficient resolution of this Litigation.

5. In making all the foregoing findings, the Court has exercised its discretion in certifying a Settlement Class. Because the Settlement Class is certified solely for purposes of settlement, the Court need not address any issues of manageability for litigation purposes.

NOTICE TO THE SETTLEMENT CLASS

6. The Court finds that notice was given in accordance with the Preliminary Approval Order, and that the form and content of that Notice, and the procedures for disseminating notice, satisfy the requirements of Rule 23(e) and due process and constitute the best notice practicable under the circumstances. The Court further finds that the notification requirements of the Class Action Fairness Act, 28 U.S.C. § 1715, have been met.

7. Adequate notice of the proceedings was given to Settlement Class Members, with a full opportunity to participate in the fairness hearing. Therefore, it is hereby determined that all Settlement Class Members are bound by this Final Order and Judgment.

8. The Court grants final approval of the Settlement Agreement in full, including but not limited to the releases therein and the procedures for distribution of settlement benefits.

9. The Parties shall carry out their respective obligations under the Settlement Agreement in accordance with its terms. The relief provided for in the Settlement Agreement shall be made available to the various Settlement Class Members submitting valid Claim Forms, pursuant to the terms and conditions in the Settlement Agreement.

OBJECTIONS AND REQUESTS FOR EXCLUSION

10. Zero objections to the Settlement were submitted by Settlement Class Members. All persons who did not object to the Settlement in the manner set forth in the Settlement Agreement are deemed to have waived any objections, including but not limited to by appeal, collateral attack, or otherwise.

11. Attached hereto as **Exhibit A** is a list of persons who made valid and timely¹ requests to be excluded from the Settlement and the Settlement Class, and are thus not bound by the Settlement Agreement and this Final Order and Judgment and shall not be entitled to any of the benefits afforded to Settlement Class Members under the Settlement Agreement. All other members of the Settlement Class are hereinafter barred and permanently enjoined from prosecuting any Released Claims against Defendants in any court, administrative agency, arbitral forum, or other tribunal.

RELEASE

12. Each Settlement Class Member, including Class Representatives, are:

(1) deemed to have completely and unconditionally released, forever discharged and acquitted Defendants and the Released Persons from all Released Claims, as defined in the Settlement Agreement; and (2) barred and permanently enjoined from asserting, instituting, or prosecuting, either directly or indirectly, these Released Claims. The full terms of the release described in this paragraph are set forth in Section 5 of the Settlement Agreement and are specifically approved and incorporated herein by this reference (the “Release”). In addition, the Class Representatives and Settlement Class Members are deemed to have waived (i) the provisions of California Civil Code § 1542, which provides that a general release does not extend to claims that the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor, and (ii) any law of any state or territory of the United States that is similar, comparable, or equivalent to California Civil Code § 1542.

13. The Settlement Agreement and this Final Order and Judgment apply to all claims or causes of action released under the Settlement Agreement, and binds Class Representatives and all Settlement Class Members who did not properly request exclusion. The Settlement Agreement and this Final Order and Judgment shall have maximum res judicata, collateral estoppel, and all other preclusive effect in any and all causes of action, claims for relief, suits,

¹ Three individuals requested exclusion. Two of the requests were timely; one was submitted after the deadline, however, Robinhood consented to the request being honored.

demands, petitions, or any other challenges or allegations that arise out of or relate to the subject matter of the Litigation and/or the Complaint.

OTHER PROVISIONS

14. The Settlement Agreement and this Final Order and Judgment, and all documents, supporting materials, representations, statements and proceedings relating to the Settlement, are not, and shall not be construed as, used as, or deemed evidence of, any admission by or against Defendants of liability, fault, wrongdoing, or violation of any law, or of the validity or certifiability for litigation purposes of the Settlement Class or any claims that were or could have been asserted in the Litigation.

15. No Settling Party may offer into evidence any non-public documents, supporting materials, representations, statements and proceedings relating to the Settlement in any action or proceeding beyond the Litigation. The Settlement Agreement and this Final Order and Judgment may be filed in any action by any Defendant or the Settlement Class Members seeking to enforce the Settlement Agreement or the Final Order and Judgment.

16. Consistent with Section 7 of the Settlement Agreement, if the Effective Date does not occur for any reason, the following will occur: (a) the Final Order and Judgment and all of their provisions, will be vacated, including, but not limited to the Fees and Expenses Award and the Class Representatives' service awards, and the Final Order and Judgment will not waive, release or otherwise impact the Parties' rights or arguments in any respect; and (b) the Litigation will revert to the status that existed before the Settlement Agreement's execution date, and the Parties shall be restored to their respective positions in the Litigation as if the Settlement Agreement had never been entered into. No term or draft of this Settlement Agreement, or any part of the Parties' settlement discussions, negotiations, or documentation will have any effect or be admissible in evidence for any purpose in the Litigation.

17. The Court hereby dismisses the Litigation in its entirety with prejudice, and without fees or costs except as otherwise provided for herein, and all claims that were or that could have been asserted in the Litigation are released as set forth in the Settlement Agreement.

1 18. No person will have any claim against Plaintiffs, Settlement Class Counsel,
2 Defendants, Defendants' counsel, or the Settlement Administrator arising from or relating to
3 actions, determinations or distributions made substantially in accordance with the Settlement
4 Agreement or orders of the Court.

5 19. Without affecting the finality of this Final Order and Judgment, the Court
6 reserves and continues jurisdiction with respect to the implementation and enforcement of the
7 terms of the Settlement, and all other matters related to the administration, consummation, and
8 interpretation of the Settlement and/or this Final Order and Judgment.

9 For the reasons set forth above, the Court **GRANTS** Plaintiffs' motion for final approval
10 of the Settlement and enters judgment in this matter pursuant to Rule 58 of the Federal Rules of
11 Civil Procedure.

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13
14 **IT IS SO ORDERED.**

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16 Dated: _____

17 Hon. Susan van Keulen

18 United States Magistrate Judge

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EXHIBIT A

Exclusion #	Name
1	Siddharth Mehta
2	Charsie Fosha
3	Hollie Elizabeth Ham