

1 Eric H. Gibbs (SBN 178658)
2 David K. Stein (SBN 257465)
3 Kyla J. Gibboney (SBN 301441)
4 **GIBBS LAW GROUP LLP**
5 505 14th Street, Suite 1110
6 Oakland, California 94612
7 Telephone: (510) 350-9700
8 Facsimile: (510) 350-9701
9 ehg@classlawgroup.com
10 ds@classlawgroup.com
11 kjg@classlawgroup.com

12 Scott Silver (*pro hac vice* to be submitted)
13 **SILVER LAW GROUP**
14 11780 W. Sample Road
15 Coral Springs, FL 33065
16 Telephone: (954) 755-4799
17 Facsimile: (954) 755-4684
18 ssilver@silverlaw.com

19 *Attorneys for Plaintiff*

20 **UNITED STATES DISTRICT COURT**
21 **NORTHERN DISTRICT OF CALIFORNIA**

22 BRUCE QUEEN, individually and on
23 behalf of all others similarly situated,

24 Plaintiff,

25 v.

26 ROBINHOOD FINANCIAL LLC,
27 ROBINHOOD SECURITIES, LLC, and
28 ROBINHOOD MARKETS, INC.,

Defendants.

Case No. _____

CLASS ACTION COMPLAINT

DEMAND FOR JURY TRIAL

INTRODUCTION

1
2 1. The Defendant Robinhood entities (collectively, “Robinhood”) are an online
3 brokerage firm founded in 2013 that provide users with the ability to trade stocks, funds, and
4 options commission-free. Robinhood’s customers “trade in real time” through the firm’s
5 website, app or call-in center.

6 2. On March 2, 2020, March 3, 2020, and March 9, 2020, Robinhood experienced
7 total outages of its operating systems, preventing customers from making securities trades
8 through its website, app, or call center. Consequently, customers could not place trade orders
9 during the outages.

10 3. The outages occurred during the then-biggest one-day point gain in Dow
11 history – but also during the advent of the recent stock market crash of March 2020.

12 4. Plaintiff Bruce Queen and other Robinhood customers suffered financial losses
13 because they could not execute transactions through the Robinhood trading platform during
14 this time.

15 5. Plaintiff thus brings this putative class action on behalf of all persons or entities
16 who were unable to transact with their Robinhood accounts, including (among other things)
17 to exercise or hedge expiring options, short positions, or limit orders, during the period of
18 March 2, 2020 through March 9, 2020, for class-wide damages and other equitable relief
19 (among other relief).

JURISDICTION & VENUE

20
21 6. This Court has subject-matter jurisdiction under 28 U.S.C. § 1332(d)(2) because
22 the aggregate claims of all proposed class members are in excess of \$5 million, exclusive of
23 interest and costs, and there are more than 100 proposed class members, many of whom are
24 citizens of a state different from Defendants.

25 7. Venue is proper in this District pursuant to 28 U.S.C. § 1391, because Robinhood
26 resides in this District, transacts business in this District, and its principal place of business is
27 located in this District. Additionally, a substantial part of the events, omissions, and acts
28 giving rise to the claims herein occurred in this District. Robinhood’s Terms & Conditions

1 also select courts located in Santa Clara County as a venue for legal disputes.

2 8. This Court has personal jurisdiction over Robinhood because it is headquartered
3 in this District and conducted substantial business in this District.

4 **INTRADISTRICT ASSIGNMENT**

5 9. Assignment is proper to the San Francisco or Oakland divisions of this District
6 under Civil Local Rule 3-2(c)-(d) because a substantial part of the events or omissions which
7 give rise to this claim occurred in San Mateo County.

8 **PARTIES**

9 10. Plaintiff Bruce Queen is a citizen of Virginia.

10 11. Defendant Robinhood Financial LLC is a Delaware corporation with its
11 principal place of business at 85 Willow Road, Menlo Park, California 94025. It is a wholly-
12 owned subsidiary of Robinhood Markets. Robinhood Financial is registered as a broker-dealer
13 with the U.S. Securities & Exchange Commission. Defendant Robinhood Financial acts as an
14 introducing broker and has a clearing arrangement with its affiliate, Defendant Robinhood
15 Securities.

16 12. Defendant Robinhood Securities, LLC is a Delaware corporation with its
17 principal place of business at 85 Willow Road, Menlo Park, California 94025. It is a wholly
18 owned subsidiary of Defendant Robinhood Markets. Defendant Robinhood Securities is
19 registered as a broker-dealer with the SEC. Defendant Robinhood Securities acts as a clearing
20 broker and clears trades introduced by its affiliate Defendant Robinhood Financial.

21 13. Defendant Robinhood Markets, Inc. is a Delaware corporation with its principal
22 place of business at 85 Willow Road, Menlo Park, California 94025. Defendant Robinhood
23 Markets is the corporate parent of Defendants Robinhood Financial and Robinhood Securities.

24 **FACTUAL ALLEGATIONS**

25 14. Robinhood has grown substantially since its start in 2013. The firm raised \$323
26 million in funding in 2019 at a \$7.6 billion valuation. With its marketing geared primarily
27 towards younger investors, Robinhood now claims over 10 million users of its trading app.

28 15. Robinhood markets itself as being “reliable by building our systems from the

1 ground up.” Investors rely upon this technology to allow them to “trade in real time” as
2 advertised by Robinhood.

3 16. On Monday, March 2, 2020, Robinhood’s platform began experiencing technical
4 problems, causing many users to miss out on the then-biggest one-day point gain in Dow
5 history. Plaintiff and others customers were unable to trade the securities in their accounts for
6 a period of over sixteen hours.

7 17. On Tuesday, March 3, 2020, a Robinhood spokesperson admitted that the cause
8 of the March 2 outage was “instability in a part of our infrastructure that allows our systems
9 to communicate with each other.”

10 18. Robinhood’s system was again offline on March 3, 2020, for approximately 3
11 hours.

12 19. Later, in a post on Robinhood’s website titled “An Update from Robinhood’s
13 Founders,” Robinhood’s founders and co-CEOs stated that the cause of the March 3 outage
14 was “stress on our infrastructure— which struggled with unprecedented load,” caused by,
15 among other things, “record volume” of trades.

16 20. The next week, on March 9, 2020, Robinhood experienced yet another major
17 outage, with customers unable to buy or sell their securities on the public markets. This
18 coincided with a dismal day for stocks, as the Dow Jones Industrial Average tanked 2,000
19 points, and the Nasdaq Composite fell 7.3%.

20 21. Federal and state securities laws state, securities industry rules require, and
21 industry best practices demand, that brokerage firms with online trading services provide
22 customers with best execution of trades, as well as adequate operational capability to handle
23 customer trading volume.

24 22. In particular, the Financial Industry Regulatory Authority (“FINRA”), which
25 governs brokers like Robinhood, requires that brokers “must make every effort to execute a
26 marketable customer order that it receives fully and promptly.”

27 23. Robinhood breached these obligations and caused its customers substantial
28 losses due to its own negligence and failure to maintain adequate infrastructure when it failed

1 to respond adequately – or at all – to trading.

2 24. This latest misconduct appears to be part of a pattern of a failure to meet such
3 obligations to customers.

4 25. In fact, for many years, Robinhood has promoted its ability to trade as a benefit
5 to customers that sets it apart from the vast majority of introducing firms, which rely on third-
6 party clearing firms to process trades. According to Robinhood Securities, its business model
7 allows the firm to “cut more fees and made Robinhood faster and more reliable by rebuilding
8 our systems from the ground up.”

9 26. But Robinhood has been found to be unreliable.

10 27. For example, in December 2018, customers trading in options faced similar
11 outages and incurred significant trading losses. After the December 2018 outage, Robinhood
12 offered access to its premium service free for three months to affected customers.

13 28. More recently, on December 19, 2019, FINRA announced that it had fined
14 Robinhood \$1.25 million for best-execution violations related to its customers’ equity orders
15 and related supervisory failures that spanned from October 2016 to November 2017. The
16 settlement requires Robinhood to retain an independent consultant to review stock trading
17 procedures and mechanisms.

18 29. Plaintiff Queen entered into a Customer Agreement in order to use Robinhood’s
19 online trading systems.

20 30. Plaintiff Queen bought put contracts through Robinhood’s platform on Friday,
21 February 28, 2020, and submitted a sell order for these contracts on Monday, March 2.
22 However, he was unable to access the sell order throughout the day, and the transaction was
23 cancelled by Robinhood the morning of March 3, forcing Plaintiff to sell his contracts at a
24 lower price on March 3.

25 31. No proceeds of these transactions entered Plaintiff Queen’s account. Instead, he
26 incurred a monetary loss.

27 32. Plaintiff Queen relied on Robinhood to perform pursuant to its Customer
28 Agreement and provide the contracted for financial services.

1 33. As a result of the outages, Plaintiff was unable to mitigate losses in his
2 Robinhood account and suffered significant losses.

3 **CLASS ACTION ALLEGATIONS**

4 34. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, Plaintiff brings this
5 action on behalf of himself and the following proposed class, within which the term
6 “Outages” is defined to include Robinhood’s total outages on March 2, 2020, March 3, 2020,
7 and March 9, 2020:

8 *All Robinhood customers within the United States who were not able to execute trades on*
9 *securities or change limit orders during the Outages and incurred financial losses.*

10 35. Excluded from the proposed class are Defendants; any affiliate, parent, or
11 subsidiary of Defendants; any entity in which any Defendant has a controlling interest; any
12 officer, director, or employee of Defendants; any successor or assign of any Defendant;
13 anyone employed by counsel in this action; any judge to whom this case is assigned and his or
14 her spouse; and members of the judge’s staff.

15 36. **Numerosity.** Robinhood has millions of customers. Although the precise
16 number of proposed class members is presently unknown to Plaintiff, there are likely
17 thousands of proposed class members based on publicly available news reports. Proposed
18 class members are thus too numerous to practically join in a single action. Class members
19 may be notified of the pendency of this action by reference to Robinhood’s records, or by
20 other alternative means.

21 37. **Commonality and Predominance.** Common questions of law and fact exist as to
22 all proposed class members and predominate over questions affecting only individual class
23 members. These common questions include:

- 24 a. Whether Robinhood’s technology was inadequate to handle reasonable
25 consumer demand;
- 26 b. Whether Robinhood failed to provide contingencies to customers to
27 execute timely trades in the event of an outage;
- 28 c. Whether Robinhood violated FINRA Rules 4370 and 5310;

- 1 d. Whether Robinhood violated state consumer protection laws in failing to
2 disclose that its technology-based financial services were inadequate and
3 unable to perform for substantial periods of time;
- 4 e. Whether Robinhood was in breach of its legal, regulatory, and licensing
5 requirements by failing to provide adequate access to financial services in
6 a timely manner;
- 7 f. Whether Robinhood was in breach of its contracts and/or the implied
8 covenant of good faith and fair dealing in connection with its failure to
9 provide financial services in a timely manner;
- 10 g. Whether Robinhood was negligent or grossly negligent by failing to
11 provide financial services in a timely manner due to its substandard and
12 inadequate technology platform;
- 13 h. Whether Robinhood breached its fiduciary duties to customers by failing
14 to provide adequate access to financial services in a timely manner;
- 15 i. Whether Robinhood was unjustly enriched by its conduct; and
- 16 j. Whether Plaintiff and the other proposed class members were injured by
17 Robinhood's conduct, and if so, the appropriate class-wide measure of
18 damages, restitution, and other appropriate relief, including injunctive
19 relief.

20 38. **Typicality.** Plaintiff's claims are typical of those of the claims of the proposed
21 class because Plaintiff and proposed class members all sustained damages from the
22 Defendants' wrongful conduct in a substantially identical manner, giving rise to substantially
23 the same claims.

24 39. **Adequacy.** Plaintiff is an adequate representative of the proposed class because
25 his interests do not conflict with the interests of the members of the class he proposes to
26 represent. Plaintiff has retained counsel experienced in class action securities litigation, and
27 who will prosecute this action vigorously on class members' behalf..

28 40. **Superiority.** A class action is superior to other available means for the fair and

1 efficient adjudication of this dispute. The injury suffered by each class member, while
2 meaningful on an individual basis, is not of such magnitude as to make the prosecution of
3 individual actions against Robinhood economically feasible. Even if class members
4 themselves could afford such individualized litigation, the court system could not. In
5 addition to the burden and expense of managing many actions arising from the defect,
6 individualized litigation presents a potential for inconsistent or contradictory judgments.
7 Individualized litigation increases the delay and expense to all parties and the court system
8 presented by the legal and factual issues of the case. By contrast, a class action presents far
9 fewer management difficulties and provides the benefits of single adjudication, economy of
10 scale, and comprehensive supervision by a single court.

11 41. Additionally, the proposed class may be certified because:

- 12 a. The prosecution of separate actions by the individual members of the
13 proposed class would create a risk of inconsistent adjudications, which
14 could establish incompatible standards of conduct for Robinhood;
- 15 b. The prosecution of individual actions could result in adjudications, which
16 as a practical matter, would be dispositive of the interests of nonparty
17 class members or which would substantially impair their ability to
18 protect their interests; and
- 19 c. Robinhood has acted or refused to act on grounds generally applicable to
20 the proposed class, thereby making appropriate final and injunctive relief
21 with respect to members of the proposed class as a whole.

22 **FIRST CAUSE OF ACTION**

23 **Breach of Contract**

24 42. Plaintiff incorporates the above allegations by reference.

25 43. As set forth above, Plaintiff and proposed class members entered into binding
26 and enforceable contracts with Robinhood.

27 44. Plaintiff and proposed class members gave consideration that was fair and
28 reasonable, and performed all conditions, covenants, and promises required under their

1 agreements with Robinhood.

2 45. Robinhood materially breached the terms of these contracts with Plaintiff and
3 proposed class members by, among other things:

- 4 a. Failing to disclose that its financial services platform was not adequately
5 built or maintained such that it could not reliably provide financial
6 services;
- 7 b. Failing to provide financial services during the outages because it lacked
8 infrastructure and systems to ensure that it could perform pursuant to its
9 contracts with Plaintiff and proposed class members;
- 10 c. Failing to provide an alternate means for customers to place timely trades
11 in the event its platform was not reliably providing financial services;
- 12 d. Failing to execute trades and other requested customer actions promptly
13 and fully (as also required by FINRA Rule 5310); and
- 14 e. Failing to comply with all applicable legal, regulatory, and licensing
15 requirements.

16 46. As a result of Robinhood's breach of contract, Plaintiff and proposed class
17 members suffered actual damages and did not receive the full benefit of their bargain.

18 47. Accordingly, Plaintiff and proposed class members are entitled to damages
19 and/or restitution in an amount to be proven at trial.

20 **SECOND CAUSE OF ACTION**

21 **Breach of the Implied Covenant of Good Faith and Fair Dealing**

22 48. Plaintiff incorporates the above allegations by reference.

23 49. As set forth above, Plaintiff and proposed class members entered into binding
24 and enforceable contracts with Robinhood.

25 50. Under common law, a covenant of good faith and fair dealing is implied into
26 every contract requiring all parties to act in good faith, make reasonable efforts to perform
27 their contractual obligations (both explicit and fairly implied), and not impair the rights of the
28 other parties to receive their rights, benefits, and reasonable expectations under the contract.

- a. Failing to disclose that its financial services platform was not adequately built or maintained such that it could not reliably provide financial services;
- b. Failing to provide financial services during the outages because it lacked infrastructure and systems to ensure that it could perform pursuant to its contracts with Plaintiff and proposed class members;
- c. Failing to provide an alternate means for customers to place timely trades in the event its platform was not reliably providing financial services;
- d. Failing to execute trades and other requested customer actions promptly and fully (as also required by FINRA Rule 5310); and
- e. Failing to comply with all applicable legal, regulatory, and licensing requirements.

57. Robinhood's conduct has caused Plaintiff and proposed class members harm, losses, and damages and continues to expose them to harm because Robinhood continues to breach its fiduciary duties. These losses reflect damages to Plaintiff and proposed class members in an amount to be determined at trial or separate proceedings as necessary.

FOURTH CAUSE OF ACTION

Negligence

58. Plaintiff incorporates the above allegations by reference.

59. Robinhood owed Plaintiff and proposed class members a duty to exercise reasonable care in executing trades and other requested customer actions in a full and prompt manner.

60. Robinhood breached this duty by:

- a. Failing to disclose that its financial services platform was not adequately built or maintained such that it could not reliably provide financial services;
- b. Failing to provide financial services during the outages because it lacked infrastructure and systems to ensure that it could perform pursuant to its

1 contracts with Plaintiff and proposed class members;

- 2 c. Failing to provide an alternate means for customers to place timely trades
3 in the event its platform was not reliably providing financial services;
4 d. Failing to execute trades and other requested customer actions promptly
5 and fully (as also required by FINRA Rule 5310); and
6 e. Failing to comply with all applicable legal, regulatory, and licensing
7 requirements.

8 61. As a direct, reasonably foreseeable, and proximate result of Robinhood's failure
9 to exercise reasonable care, Plaintiff and proposed class members have suffered damages that
10 they could not have prevented through the exercise of reasonable diligence.

11 62. Plaintiff and proposed class members seek monetary damages for these harms
12 and other recovery as allowed by law.

13 **FIFTH CAUSE OF ACTION**

14 **Gross Negligence**

15 63. Plaintiff incorporates the above allegations by reference.

16 64. Robinhood owed Plaintiff and proposed class members a duty to exercise
17 reasonable care in executing trades and other requested customer actions in a complete and
18 timely manner.

19 65. Robinhood breached this duty by:

- 20 a. Failing to disclose that its financial services platform was not adequately
21 built or maintained such that it could not reliably provide financial
22 services;
23 b. Failing to provide financial services during the outages because it lacked
24 infrastructure and systems to ensure that it could perform pursuant to its
25 contracts with Plaintiff and proposed class members;
26 c. Failing to provide an alternate means for customers to place timely trades
27 in the event its platform was not reliably providing financial services;
28 d. Failing to execute trades and other requested customer actions promptly

1 and fully (as also required by FINRA Rule 5310); and

2 e. Failing to comply with all applicable legal, regulatory, and licensing
3 requirements.

4 66. Robinhood's breaches of its duties of care to Plaintiff and proposed class
5 members constitutes gross negligence because it constitutes an extreme departure from what
6 a reasonably careful entity in the same situation would do to prevent foreseeable harm to
7 Plaintiff and proposed class members. Robinhood acted willfully, wantonly, and with
8 conscious and reckless disregard for the rights and interests of Plaintiff and proposed class
9 members. Its acts and omissions had a great probability of causing considerable harm, and in
10 fact did.

11 67. As a direct, reasonably foreseeable, and proximate result of Robinhood's failure
12 to exercise reasonable care, Plaintiff and proposed class members have suffered damages that
13 they could not have prevented through the exercise of reasonable diligence.

14 68. Plaintiff and proposed class members seek monetary damages for these harms,
15 including punitive damages, and other recovery as allowed by law.

16 **SIXTH CAUSE OF ACTION**

17 **Violation of California's Consumers Legal Remedies Act,**

18 **Cal. Civ. Code §§ 1750, *et seq.***

19 69. Plaintiff incorporates the above allegations by reference.

20 70. Robinhood is a "person" within the meaning of Civil Code §§ 1761 and 1770,
21 and it has provided "goods" or "services" within the meaning of Civil Code §§ 1761 and 1770.

22 71. Plaintiff and members of the proposed class are "consumers" within the
23 meaning of Civil Code §§ 1761 and 1770, and have engaged in a "transaction" within the
24 meaning of Civil Code §§ 1761 and 1770.

25 72. Robinhood's acts and practices in connection with its deficient financial services
26 violate § 1770 of the Consumers Legal Remedies Act for at least the following reasons:

27 a. Robinhood represents that its goods or services have characteristics, uses,
28 or benefits that they do not have;

1 78. Robinhood has violated and continues to violate California's Unfair
2 Competition Law, Cal. Bus. & Prof. Code § 17200, *et seq.*, which prohibits unlawful, unfair,
3 and fraudulent business acts or practices.

4 79. Robinhood's acts and practices, as alleged in this complaint, constitute unlawful,
5 unfair, and fraudulent business practices under the Unfair Competition Law. In particular,
6 Robinhood knowingly failed to disclose that its platform was not adequately built or
7 maintained to handle reasonable consumer demand, failed to provide an alternative means
8 for customers to execute trades, and failed to execute trades and other actions requested by
9 customers in a full and prompt manner.

10 80. Robinhood's business acts and practices are unlawful in that they violate the
11 Consumers Legal Remedies Act, Cal. Civil Code § 1750, *et seq.* and FINRA Rule 5310 (which
12 requires execution of orders fully and promptly).

13 81. Robinhood's acts and practices also constitute fraudulent practices in that they
14 are likely to deceive a reasonable consumer. As described above, Robinhood knowingly
15 concealed and failed to disclose that its platform was not adequately built or maintained to
16 handle reasonable consumer demand such that it failed to exercise trades and other actions
17 requested by customers in a complete and timely manner. As Robinhood knew, had it
18 disclosed these facts, Plaintiff, proposed class members, and reasonable consumers would not
19 have used Robinhood's services, and thus Robinhood concealed these facts with the intent to
20 profit from its nondisclosure.

21 82. Robinhood's conduct also constitutes an unfair practice within the meaning of
22 the Unfair Competition Law because:

- 23 a. The gravity of harm to Plaintiff and proposed class members from
24 Robinhood's acts and practices far outweighs any legitimate utility of that
25 conduct;
- 26 b. Robinhood's conduct is immoral, unethical, oppressive, unscrupulous, or
27 substantially injurious to Plaintiff and members of the proposed class;
28 and

1 c. Robinhood’s conduct undermines or violates the stated policies
2 underlying the Consumers Legal Remedies Act, FINRA regulations, and
3 established public policies intended to regulate the fair and ethical sale of
4 goods and services, including protecting consumers against unfair and
5 sharp business practices and promoting a basic level of honesty and
6 reliability in the marketplace.

7 83. As a direct and proximate result of Robinhood’s business practices, Plaintiff and
8 proposed class members suffered injury in fact and lost money or property.

9 84. Plaintiff and proposed class members are entitled to restitution, injunctive relief,
10 and reasonable attorney’s fees and costs.

11 **EIGHTH CAUSE OF ACTION**

12 **Unjust Enrichment**

13 85. Plaintiff incorporates the above allegations by reference.

14 86. Robinhood has obtained unjust benefits from Plaintiff and proposed class
15 members resulting in inequity.

16 87. Robinhood engaged in unfair, fraudulent, and unjust conduct, including:

- 17 a. Failing to disclose that its financial services platform was not adequately
18 built or maintained such that it could not reliably provide financial
19 services;
- 20 b. Failing to provide financial services during the outages because it lacked
21 infrastructure and systems to ensure that it could perform pursuant to its
22 contracts with Plaintiff and proposed class members;
- 23 c. Failing to provide an alternate means for customers to place timely trades
24 in the event its platform was not reliably providing financial services;
- 25 d. Failing to execute trades and other requested customer actions promptly
26 and fully (as also required by FINRA Rule 5310); and
- 27 e. Failing to comply with all applicable legal, regulatory, and licensing
28 requirements.

1 88. By its deceptive, misleading, and improper conduct alleged above, Robinhood
2 obtained money from and was unjustly enriched at the expense of Plaintiff and proposed
3 class members.

4 89. It would be inequitable and unconscionable for Robinhood to retain the profits,
5 benefits, and other compensation obtained through its deceptive, misleading, and improper
6 conduct.

7 90. Plaintiff and proposed class members are entitled to restitution or disgorgement
8 of, or the imposition of a construction trust upon, all profits, benefits and other compensation
9 obtained by Robinhood through its deceptive, misleading, and improper conduct.

10 **PRAYER FOR RELIEF**

11 Plaintiff requests that the Court enter a judgment awarding the following relief:

- 12 a. An order certifying the proposed class and appointing Plaintiff's counsel to
13 represent the class;
- 14 b. An order awarding Plaintiff and proposed class members their actual damages,
15 punitive damages, and any other form of monetary relief provided by law,
16 except that no monetary relief is presently sought for violations of the
17 Consumers Legal Remedies Act;
- 18 c. An order awarding Plaintiff and proposed class members restitution,
19 disgorgement, or other equitable relief as the Court deems proper, except that
20 no monetary restitution is presently sought for violations of the Consumers
21 Legal Remedies Act;
- 22 d. An order awarding Plaintiff and proposed class members pre-judgment and
23 post-judgment interest as allowed under the law;
- 24 e. An order awarding Plaintiff and proposed class members reasonable attorney's
25 fees and costs of suit, including expert witness fees; and
- 26 f. An order awarding such other and further relief as this Court may deem just
27 and proper.
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JURY DEMAND

Pursuant to Fed. R. Civ. P. 38(b), Plaintiff hereby demands a trial by jury for all issues so triable under the law.

DATED: March 25, 2020

Respectfully submitted,

GIBBS LAW GROUP LLP

By: /s/ Eric H. Gibbs

Eric H. Gibbs
David K. Stein
Kyla J. Gibboney
505 14th Street, Suite 1110
Oakland, California 94612
Telephone: (510) 350-9700
Facsimile: (510) 350-9701
ehg@classlawgroup.com
ds@classlawgroup.com
kjk@classlawgroup.com

Scott Silver (*pro hac vice* to be submitted)
SILVER LAW GROUP
11780 W. Sample Road
Coral Springs, FL 33065
Telephone: (954) 755-4799
Facsimile: (954) 755-4684
ssilver@silverlaw.com

Attorneys for Plaintiff

CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

BRUCE QUEEN, individually and on behalf of all others similarly situated,

(b) County of Residence of First Listed Plaintiff Isle of Wight County, VA (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Eric H. Gibbs - Gibbs Law Group LLP
505 14th Street, Suite 1110, Oakland, CA 94612 - (510) 350-9700

DEFENDANTS

ROBINHOOD FINANCIAL LLC, ROBINHOOD SECURITIES, LLC, and ROBINHOOD MARKETS, INC.,

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship and incorporation status. Includes options for Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, and Incorporated or Principal Place of Business.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Large table with columns for CONTRACT, REAL PROPERTY, TORTS, CIVIL RIGHTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, and OTHER STATUTES. Each column contains a list of legal categories and codes.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District (specify)
6 Multidistrict Litigation-Transfer
8 Multidistrict Litigation-Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): Class Action Fairness Act, 28 U.S.C. § 1332(d)

Brief description of cause:

Violation of California consumer protection laws, breach of contract, negligence, et al.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P. DEMAND \$

CHECK YES only if demanded in complaint: JURY DEMAND: X Yes No

VIII. RELATED CASE(S), IF ANY (See instructions):

JUDGE Hon. James Donato

DOCKET NUMBER 3:20-cv-01626-JD

IX. DIVISIONAL ASSIGNMENT (Civil Local Rule 3-2)

(Place an "X" in One Box Only) X SAN FRANCISCO/OAKLAND SAN JOSE EUREKA-MCKINLEYVILLE

DATE 03/25/2020

SIGNATURE OF ATTORNEY OF RECORD

/s/ Eric H. Gibbs

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44

Authority For Civil Cover Sheet. The JS-CAND 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I. a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the “defendant” is the location of the tract of land involved.)
- c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section “(see attachment).”
- II. Jurisdiction.** The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an “X” in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - (2) United States defendant. When the plaintiff is suing the United States, its officers or agencies, place an “X” in this box.
 - (3) Federal question. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - (4) Diversity of citizenship. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an “X” in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an “X” in one of the six boxes.
- (1) Original Proceedings. Cases originating in the United States district courts.
 - (2) Removed from State Court. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
 - (3) Remanded from Appellate Court. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - (4) Reinstated or Reopened. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - (5) Transferred from Another District. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - (6) Multidistrict Litigation Transfer. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
 - (8) Multidistrict Litigation Direct File. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket. Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC § 553. Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an “X” in this box if you are filing a class action under Federal Rule of Civil Procedure 23. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. Divisional Assignment.** If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: “the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated.”
- Date and Attorney Signature.** Date and sign the civil cover sheet.

1 Eric H. Gibbs (SBN 178658)
2 David K. Stein (SBN 257465)
3 Kyla J. Gibboney (SBN 301441)
4 **GIBBS LAW GROUP LLP**
5 505 14th Street, Suite 1110
6 Oakland, California 94612
7 Telephone: (510) 350-9700
8 Facsimile: (510) 350-9701
9 ehg@classlawgroup.com
10 ds@classlawgroup.com
11 kjg@classlawgroup.com

12 Scott Silver (*pro hac vice* to be submitted)
13 **SILVER LAW GROUP**
14 11780 W. Sample Road
15 Coral Springs, FL 33065
16 Telephone: (954) 755-4799
17 Facsimile: (954) 755-4684
18 ssilver@silverlaw.com

19 *Attorneys for Plaintiff*

20 **UNITED STATES DISTRICT COURT**
21 **NORTHERN DISTRICT OF CALIFORNIA**

22 BRUCE QUEEN, individually and on
23 behalf of all others similarly situated,

24 Plaintiff,

25 v.

26 ROBINHOOD FINANCIAL LLC,
27 ROBINHOOD SECURITIES, LLC, and
28 ROBINHOOD MARKETS, INC.,

Defendants.

Case No. _____

**DECLARATION OF PLAINTIFF'S
COUNSEL PURSUANT TO
CALIFORNIA CIVIL CODE
SECTION 1780(d)**

1 I, Eric H. Gibbs, declare as follows:

2 1. I am a partner with Gibbs Law Group LLP, counsel for Plaintiff in this action. I
3 have personal knowledge of the facts stated herein and, if called upon to do so, could and
4 would testify competently thereto.

5 2. I submit this declaration on behalf of Plaintiff and in support of Plaintiff's Class
6 Action Complaint, which is based in part on violations of the Consumers Legal Remedies
7 Act, California Civil Code § 1750, et seq.

8 3. Plaintiff's Class Action Complaint has been filed in the proper place for trial of
9 this action, which is the U.S. District Court for the Northern District of California.
10 Defendants all reside and do business in this district. Moreover, because Defendants are
11 headquartered in this District and have their principal place of business in this District, a
12 substantial number of the events or omissions giving rise to Plaintiff's claims occurred in this
13 District.

14
15 I declare under penalty of perjury that the foregoing is true and correct.
16 Executed on March 25, 2020 in Oakland, California.

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18 /s/ Eric H. Gibbs

19 Eric H. Gibbs
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