



For Immediate Release:

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Wyoming Secretary of State Reaches Settlement with Robinhood for Failing Investors

CHEYENNE, WY – On January 9, 2024, Wyoming Secretary of State Chuck Gray joined a multi-state settlement with Robinhood Financial LLC, resulting in Robinhood paying \$200,000 to the Wyoming Secretary of State, to be deposited in the Public School Fund pursuant to the Wyoming Constitution.

The settlement stems from a multistate investigation sparked by Robinhood platform outages in March 2020, a time when hundreds of thousands of investors were relying on the Robinhood application to make trades. In addition, prior to March 2021, there were deficiencies at Robinhood in its review and approval process for options and margin accounts, weaknesses in the firm's monitoring and reporting tools, and insufficient customer service and escalation protocols that left Robinhood users unable to process trades even as the value of certain stocks was dropping.

“Today's agreement represents justice for many main street investors in the State of Wyoming and across the nation,” Secretary of State Chuck Gray said in a statement. “While Robinhood's conduct captured the attention of the nation when it halted trading of GameStop stock on its trading app in January 2021, the investigation into Robinhood's practices demonstrate a much more long-standing and repeated failure to serve its clients. This settlement makes clear that Robinhood must take its customer care obligations seriously and correct these deficiencies in the future.”

The Wyoming Secretary of State is charged with regulating securities and protecting consumers in the state of Wyoming. If you have any questions or concerns about your investments or financial professional, please contact please contact the Wyoming Secretary of State's Office, Compliance Division, at 307-777-7370 or via email at investing@wyo.gov.

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