

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 91590 / April 16, 2021

ADMINISTRATIVE PROCEEDING
File No. 3-20171

In the Matter of	:	
	:	
Robinhood Financial, LLC,	:	ORDER APPOINTING FUND
	:	ADMINISTRATOR AND SETTING
Respondent.	:	ADMINISTRATOR BOND AMOUNT
	:	

On December 17, 2020, the Commission issued an Order Instituting Administrative and Cease-and-Desist Proceeding Pursuant to Section 8A of the Securities Act of 1933 and Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”)¹ against Robinhood Financial, LLC (“Robinhood” or the “Respondent”). In the Order, the Commission found that, from 2015 through September 2018, Robinhood made material misrepresentations and omissions relating to its revenue sources, specifically its receipt of payment from certain principal trading firms, for routing Robinhood customer orders to them and relating to certain statements about the execution quality Robinhood achieved for its customers’ orders. The Commission also found that Robinhood’s customers received inferior execution prices compared to what they would have received from Robinhood’s competitors, caused in large part by the high payments for order flow resulting in Robinhood’s failure to satisfy its duty of best execution.

¹ Securities Act Rel.No. 10906 (Dec. 17, 2020).

The Commission ordered Robinhood to pay a civil money penalty of \$65,000,000.00. The Order also created a Fair Fund, pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, so the penalty can be distributed to harmed investors (the “Fair Fund”). The Fair Fund includes the \$65,000,000.00 paid by the Respondent.

The Division of Enforcement now seeks the appointment of JND Legal Administration (“JND”) as the fund administrator and requests that the administrator’s bond be set at \$65,000,000.00. JND is included in the Commission’s approved pool of administrators.

Accordingly, IT IS HEREBY ORDERED that JND is appointed as the fund administrator, pursuant to Rule 1105(a) of the Commission’s Rules of Fair Fund and Disgorgement Plans (“Commission’s Rules”),² and shall obtain a bond in the amount of \$65,000,000.00, in accordance with Rule 1105(c) of the Commission’s Rules.³

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁴

Vanessa A. Countryman
Secretary

² 17 C.F.R. § 201.1105(a).

³ 17 C.F.R. § 201.1105(c)

⁴ 17 C.F.R. § 200.30-4(a)(17).