

MARKETS, NEWS

Report: \$70M Robinhood Settlement Paid With the Losses of Just 3 Users

BY CHRISTOPHER ROMANO ON JUNE 30, 2021



Facing accusations of irresponsible brokerage, Robinhood LLC agreed to a settlement of \$70 million. While the payment represents a blow to the company's standing, CEO Vlad Tenev highlights how Robinhood's business model has prepared them for such a loss.

"You see, while we caught a hefty fine for our policy of allowing amateur traders to make highly risky investments, that same policy has allowed us to cover the fine using money made on just 3 of them," Tenev said to reporters earlier today.

The 3 traders whose losses will cover the fine remain anonymous, but what we do know is that they are all avid users of Reddit's Wallstreetbets community.

Reports confirm the 3 are already taking to the subreddit, making grandiose posts calling Robinhood 'evil,' 'deplorable,' and 'the worst thing to happen to America since Vietnam.'

Despite this, all 3 users continue to use the Robinhood app daily.

robinhood

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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