

Robinhood Annual Notice 2016

The Robinhood Annual Notice is intended for individuals with an account with Robinhood. It contains important information regarding that account. Please read these disclosures carefully and contact support@robinhood.com with any questions.

- [Privacy Policy](#)
- [U.S. Consumer Privacy Policy](#)
- [California Privacy Notice](#)
- [SIPC Account Protection Overview](#)
- [FINRA Investor Education and Protection](#)
- [Robinhood Instant & Gold Statements](#)
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Privacy Policy

Robinhood Financial, LLC, Robinhood Markets, Inc., and their respective subsidiaries and affiliates (collectively, "Robinhood") operate several websites. The following describes the privacy considerations enacted by Robinhood relating to the use of your personal information.

Website Visitors

Like most website operators, Robinhood collects non-personally-identifying information of the sort that web browsers and servers typically make available, such as the browser type, language preference, referring site, and the date and time of each visitor request. Robinhood's primary purpose in collecting non-personally identifying information is to better understand how Robinhood's visitors use its website. From time-to-time, Robinhood may release non-personally-identifying information in the aggregate, e.g., by publishing a report on trends in the usage of its website. Robinhood also collects potentially personally-identifying information like Internet Protocol (IP) addresses for logged in users and for users leaving comments on Robinhood posts. Robinhood only discloses logged-in user and commenter IP addresses under the same circumstances that it uses and discloses personally-identifying information as described below, except that blog commenter IP addresses are visible and disclosed to the administrators of the blog where the comment was left.

Gathering of Personally-Identifying Information

Certain visitors to Robinhood's websites choose to interact with Robinhood in ways that require Robinhood to gather personally-identifying information. The amount and type of information that Robinhood gathers depends on the nature of the interaction. For example, Robinhood asks visitors who sign up for an account on www.robinhood.com to provide an email address. In this case, Robinhood collects such information only insofar as is necessary or appropriate to fulfill the purpose of the visitor's interaction with Robinhood. Robinhood does not disclose personally-identifying information other than as described below. Visitors can always refuse to supply personally-identifying information, though doing so may prevent them from engaging in certain website-related activities.

Robinhood has implemented Google Analytics Demographics and Interest Reporting and uses Google Analytics cookies and identifiers for the sole purpose of data analytics. If you do not want to participate in Robinhood's Google Analytics data collection, you may download the Google Analytics Opt-out Browser add-on here: <https://tools.google.com/dlpage/gaoptout>.

Protection of Certain Personally-Identifying Information

Robinhood discloses potentially personally-identifying and personally-identifying information only to those of its employees, contractors, and affiliated organizations that (i) need to know that information in order to process it on Robinhood's behalf or to provide services available at Robinhood' websites, and (ii) that have agreed not to disclose it to others. Some of those employees, contractors and affiliated organizations may be located outside of your home country; by using Robinhood' websites, you consent to the transfer of such information to them. Other than to its employees, contractors and affiliated organizations, as described above, Robinhood discloses potentially personally-identifying and personally-identifying information only when required to do so by law, or when Robinhood believes in good faith that disclosure is reasonably necessary to protect the property or rights of Robinhood, third parties or the public at large. If you are a registered user of a Robinhood website and have supplied your email address, Robinhood may occasionally send you an email to tell you about new features, solicit your feedback, or just keep you up to date with what's going on with Robinhood and our products. If you send Robinhood a request (for example via a support email or via one of its feedback mechanisms), Robinhood reserves the right to publish it in order to

help Robinhood clarify or respond to your request or to help Robinhood support other users. Robinhood takes all measures reasonably necessary to protect against the unauthorized access, use, alteration or destruction of potentially personally identifying and personally-identifying information.

Robinhood utilizes Plaid, a service that enables applications to connect with end-user authorized data from financial institutions including banks, card issuers, and card networks. Plaid also structures the data it receives and returns it to Robinhood in a functional format. Plaid's privacy policy is available here: <https://plaid.com/privacy>. By using Robinhood's websites, you acknowledge and agree that your personal information will be treated in accordance with Plaid's privacy policy. Additionally, you grant Robinhood the right, power, and authority to access and transmit your personal and financial information (such as from third-party banks) as is reasonably necessary for Plaid to provide its services to you.

Potential Sale of Certain Non-Personally-Identifying Information

Robinhood gathers customers' non personally-identifiable demographic information (the "Data") in a form that does not permit direct association with any specific individual. This Data includes the customers' geographic location, gender, age range, income range, social media "friend" count or "followers" and level of education. This Data is appended to the trades customers make in order to create a marketing-data information product that may be used for any purpose. This includes selling the Data to financial services and/or other companies that typically use this Data in their businesses to evaluate and tailor their client relations programs and marketing efforts and better understand customer behavior and improve their products, services, and advertising.

Aggregated Statistics

Robinhood may collect statistics about the behavior of visitors to its websites. Robinhood may display this information publicly or provide it to others. However, Robinhood does not disclose personally-identifying information other than as described below.

Cookies

A cookie is a string of information that a website stores on a visitor's computer, and that the visitor's browser provides to the website each time the visitor returns. Robinhood uses cookies to help Robinhood identify and track visitors, their usage of Robinhood website, and their website access preferences. Robinhood visitors who do not wish to have cookies placed on their computers should set their browsers to refuse cookies before using Robinhood's websites, with the drawback that certain features of Robinhood's websites may not function properly without the aid of cookies.

Notice to California Residents

California law requires that Robinhood obtain your affirmative consent before it shares your nonpublic personal information with non-affiliated third party companies. It should be noted that Robinhood does not currently share information about you with any non-affiliated third party that triggers this consent requirement. Accordingly, there is no need at this time for Robinhood to seek your consent or for you to take any affirmative action telling Robinhood not to share such information with non-affiliated third parties. California residents will receive an additional notice describing the privacy choices available under California law. Please mark the [California Privacy Notice](#) to indicate your preference with regard to sharing of your information.

Privacy Policy Changes

Robinhood reserves the right to make changes to this Privacy Policy at any time in its sole discretion. When Robinhood does, Robinhood will let you know by appropriate means such as by posting the revised policy on this page with a new "Last Updated" date. Any changes to this Privacy Policy will become effective when posted unless indicated otherwise. Robinhood encourages visitors to frequently check this page for any changes to its Privacy Policy. Your continued use of this site after any change in this Privacy Policy will constitute your acceptance of such change.

FACTS

WHAT DOES ROBINHOOD FINANCIAL DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security Number and income
- account balances and transaction history
- credit history and credit scores
- email address

When you are *no longer* our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Robinhood Financial chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Robinhood Financial share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes.	No.
For our marketing purposes— to offer our products and services to you	Yes.	No.
For joint marketing with other financial companies	No.	We don't share.
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes.	No.
For our affiliates' everyday business purposes— information about your creditworthiness	Yes.	Yes.
For our affiliates to market to you	Yes.	Yes.
For nonaffiliates to market to you	No.*	We don't share.

To limit our sharing

- Email us at: support@robinhood.com Please put "Limit Our Sharing" in the Subject line.

Please note:

If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

* Personal information may be shared with nonaffiliates at the customer's request.

Questions?

E-mail support@robinhood.com

Who we are**Who is providing this notice?**

This form is being provided by Robinhood Financial, LLC.

What we do**How does Robinhood Financial protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

When you access our Account holder areas, you are required to provide your user name and your password. Do not share your password and change it frequently.

How does Robinhood Financial collect my personal information?

We collect your personal information, for example, when you

- open an account
- provide account information
- direct us to buy and sell securities
- direct us to buy and sell options
- direct us to buy and sell other Brokerage Products

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

What happens when I limit sharing for an account I hold jointly with someone else?

- Your choices will apply to everyone on your account.

Definitions**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Our affiliates include companies such as Robinhood Markets, Inc & Chronos Research, which share the common Robinhood brand.

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- Robinhood Financial does not share with nonaffiliates so they can they can market to you.
- We may disclose any of the information we collect, as described above, to companies that perform business or professional services on our behalf.

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Robinhood Financial does not Jointly Market.

Other Important Information

California Residents: You will receive a California Privacy Notice describing the privacy choices available under California law.

For Vermont Customers: We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

IMPORTANT PRIVACY CHOICES FOR CONSUMERS

You have the right to control whether we share some of your personal information. Please read the following information carefully before you make your choices below.

Your Rights

You have the following rights to restrict the sharing of personal and financial information with our affiliates (companies we own or control) and outside companies that we do business with. Nothing in this form prohibits the sharing of information necessary for us to follow the law, as permitted by law, or to give you the best service on your accounts with us. This includes sending you information about some other products or services.

Your Choices

Restrict Information Sharing With Companies We Own or Control (Affiliates): Unless you say “No,” we may share personal and financial information about you with our affiliated companies.

NO, please do not share personal and financial information with your affiliated companies.

Restrict Information Sharing With Other Companies We Do Business With To Provide Financial Products And Services: Unless you say “No,” we may share personal and financial information about you with outside companies we contract with to provide financial products and services to you.

NO, please do not share personal and financial information with outside companies you contract with to provide financial products and services.

Time Sensitive Reply

You may make your privacy choice(s) at any time. Your choice(s) marked here will remain unless you state otherwise. However, if we do not hear from you we may share some of your information with affiliated companies and other companies with whom we have contracts to provide products and services.

Account Holder Name: _____

Account Number: _____

Signature: _____

To exercise your choices do one of the following:

(1) Fill out, sign and send back this form to Robinhood, 3200 Ash St., Palo Alto, CA 94306 (you may want to make a copy for your records);

(2) Reply electronically by contacting us through the following email option: support@robinhood.com. Please put “CA Restrict Sharing” in the Subject Line.

SIPC and Account Protection

Account Protection with SIPC plus Additional Insurance, at No Additional Cost to You

As a member of the Securities Investor Protection Corporation (SIPC), funds are available to meet customer claims up to a ceiling of \$500,000, including a maximum of \$250,000 for cash claims. For additional information regarding SIPC coverage, including a brochure, please contact SIPC at (202) 371-8300 or visit www.sipc.org.

Our clearing firm has purchased an additional insurance policy through a group of London Underwriters (with Lloyd's of London Syndicates as the Lead Underwriter) to supplement SIPC protection. This additional insurance policy becomes available to customers in the event that SIPC limits are exhausted and provides protection for securities and cash up to an aggregate of \$150 million. This is provided to pay amounts in addition to those returned in a SIPC liquidation. This additional insurance policy is limited to a combined return to any customer from a Trustee, SIPC and London Underwriters of \$37.5 million, including cash of up to \$900,000. Similar to SIPC protection, this additional insurance does not protect against a loss in the market value of securities

FINRA PUBLIC DISCLOSURE PROGRAM

FINRA's BrokerCheck Hotline provides certain information regarding the disciplinary history of FINRA members and their associated persons in response to written inquiries, electronic inquiries, or telephonic inquiries via FINRA's (1) toll-free telephone listing (1-800-289-9999), or (2) website (www.finra.org). Additionally, FINRA has prepared an investor brochure that includes information describing BrokerCheck.

Margin Disclosure Statement

Robinhood Financial, LLC (“Robinhood Financial”, we”, “us”, or “our”) is a fully disclosed broker-dealer and member of FINRA and SIPC. Robinhood Financial is based in Palo Alto, California. For purposes of this Margin Disclosure Statement, the terms “you” and “your” refer to each Robinhood Financial brokerage account owner.

Robinhood Financial provides no investment, legal, or tax advice. Margin is not suitable for everyone. You should examine your investment objectives, financial resources and risk tolerance to determine whether borrowing against securities, and trading on margin in particular, is appropriate for you. The increased leverage that margin provides may heighten the risks of investing.

Robinhood Financial is furnishing this document to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review this Margin Disclosure Statement, the Apex Customer Margin and Short Account Agreement, and the Robinhood Financial Customer Agreement. If you have any questions or concerns, please contact us.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from our clearing firm, Apex Clearing Corporation (“Apex”). If you choose to borrow funds from Apex, you will open a margin account with Apex through us. The securities purchased are used as collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, Robinhood Financial and/or Apex can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with us and/or Apex, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include, without limitation, the following:

- **YOU CAN LOSE MORE FUNDS THAN YOU DEPOSIT IN THE MARGIN ACCOUNT.**
A decline in the value of securities purchased on margin may require you to provide additional funds to your account to avoid the forced sale of those securities or other securities or assets in your account(s).
- **WE AND/OR APEX CAN FORCE THE LIQUIDATION OR SALE OF SECURITIES OR OTHER ASSETS IN YOUR ACCOUNT(S).**
If the equity in your account falls below the Self-Regulatory Organization (“SRO”) maintenance margin requirements or Apex’s “house” requirements or our “house” requirements, we and/or Apex can sell the securities or other assets in any of your accounts to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.
- **WE AND/OR APEX CAN SELL YOUR SECURITIES OR OTHER ASSETS WITHOUT CONTACTING YOU.**
Some investors mistakenly believe that their brokerage firm must contact them for a margin call to be valid, and that their firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. Although, we may attempt to notify you of margin calls, we are not required to do so. However, even if we have contacted you and provided a specific date to meet a margin call, we and/or Apex can still take necessary steps to protect our and/or Apex’s financial interests, including immediately selling the securities without notice to you. We and/or Apex may forcibly liquidate all or part of your account without prior notice, regardless of your intent to satisfy a margin call, in order to protect your interests or Apex’s interests or our interests.
- **YOU ARE NOT ENTITLED TO CHOOSE WHICH SECURITIES OR OTHER ASSETS IN YOUR ACCOUNT(S) ARE LIQUIDATED OR SOLD TO MEET A MARGIN CALL.**

Because the securities are collateral for the margin loan, Robinhood Financial and/or Apex have the right to decide which security to sell in order to protect our and/or Apex's interests.

- **ROBINHOOD FINANCIAL AND/OR APEX CAN INCREASE ITS RESPECTIVE "HOUSE" MAINTENANCE MARGIN REQUIREMENTS AT ANY TIME AND IS NOT REQUIRED TO PROVIDE YOU ADVANCE WRITTEN NOTICE.**

These changes in policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may require us and/or Apex to liquidate or sell securities in your account(s).

- **YOU ARE NOT ENTITLED TO AN EXTENSION OF TIME ON A MARGIN CALL.**
While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.
- **THE IRS REQUIRES BROKER-DEALERS TO TREAT DIVIDEND PAYMENTS ON LOANED SECURITIES POSITIONS AS A "SUBSTITUTE PAYMENT" IN LIEU OF A DIVIDEND.**

A substitute payment is not, a "qualified dividend" and is taxed as ordinary income.

- **APEX MAY HYPOTHECATE THE SECURITIES IN YOUR ACCOUNT.**
All securities now or hereafter held by Apex, or carried by Apex in any account for you (either individually or jointly with others), or deposited to secure same, may from time to time, without any notice, be carried in Apex's general loans and may be pledged, repledged, hypothecated or re-hypothecated, separately or in common with other securities for the sum due to Apex thereon or for a greater sum and without retaining in Apex's possession or control for delivery a like amount of similar securities. Any securities in your margin or short account may be borrowed by Apex, or lent to others.
- **INDUSTRY REGULATIONS MAY LIMIT, IN WHOLE OR IN PART, YOUR ABILITY TO EXERCISE VOTING RIGHTS OF SECURITIES THAT HAVE BEEN LENT OR PLEDGED TO OTHERS.**

You may receive proxy materials indicating voting rights for a fewer number of shares than are in your account, or you may not receive any proxy materials.

You should carefully review this Margin Disclosure Statement, which contains key information about your margin account. Your margin account is subject to all the terms of the Apex Customer Margin and Short Account Agreement and any other agreements which you executed to open and maintain your brokerage account with Apex through Robinhood Financial (including, without limitation, the Robinhood Financial Customer Agreement and Apex Customer Account Agreement).

Robinhood Financial
SEC Rule 606 Report Disclosure
Third Quarter 2016

Robinhood Financial ("Robinhood") has prepared this report pursuant to a U.S. Securities and Exchange Commission rule requiring all brokerage firms to make publicly available quarterly reports on their order routing practices.

The report provides information on the routing of "non-directed orders" - any order that the customer has not specifically instructed to be routed to a particular venue for execution. For these non-directed orders, Robinhood has selected the execution venue on behalf of its customers.

100% of total customer orders were non-directed orders.

Securities Listed on the NYSE

Routing Venue	Total Orders (%)	Market Orders (%)	Limit Orders (%)	Other Orders (%)
Apex Clearing Corporation	86	90	85	90
Citadel Securities, LLC	6	4	7	4
KCG Americas, LLC	4	3	5	3
Two Sigma Securities, LLC	3	3	4	2
Total	100	100	100	100

100% of total customer orders were non-directed orders

26% of total non-directed client orders were market orders

66% of total non-directed client orders were limit orders

7% of total non-directed client orders were other orders

Securities Listed on Nasdaq

Routing Venue	Total Orders (%)	Market Orders (%)	Limit Orders (%)	Other Orders (%)
Apex Clearing Corporation	86	90	84	88
Citadel Securities, LLC	6	4	7	5
KCG Americas, LLC	5	3	5	4
Two Sigma Securities, LLC	3	3	4	3
Total	100	100	100	100

100% of total customer orders were non-directed orders

26% of total non-directed client orders were market orders

67% of total non-directed client orders were limit orders

6% of total non-directed client orders were other orders

Securities Listed on the NYSE MKT or Regional Exchanges

Routing Venue	Total Orders (%)	Market Orders (%)	Limit Orders (%)	Other Orders (%)
Apex Clearing Corporation	84	90	82	88
Citadel Securities, LLC	7	4	8	5
KCG Americas, LLC	5	3	6	4
Two Sigma Securities, LLC	4	2	4	3
Total	100	100	100	100

100% of total customer orders were non-directed orders

26% of total non-directed client orders were market orders

69% of total non-directed client orders were limit orders

5% of total non-directed client orders were other orders

Exchange-listed Options

N/A

Material aspects of relationships with market centers:

Apex Clearing Corporation – Robinhood receives payment from Apex Clearing Corporation for directing equity order flow to this venue. Payment varies based upon a number of factors including but not limited to: the type of security, time of order placement, and the underlying price. Payments received averaged less than \$0.0006 per share for order flow executed in the third quarter 2016.

Citadel Execution Services – Robinhood receives payment from Citadel Execution Services for directing equity order flow to this venue. Payment varies based upon a number of factors including but not limited to: the type of security, time of order placement, and the underlying price. Payments received averaged less than \$0.0015 per share for order flow executed in the third quarter 2016.

KCG Americas, LLC – Robinhood receives payment from KCG Americas, LLC for directing equity order flow to this venue. Payment varies based upon a number of factors including but not limited to: the type of security, time of order placement, and the underlying price. Payments received averaged less than \$0.0011 per share for order flow executed in the third quarter 2016.

Two Sigma Securities, LLC – Robinhood receives payment from Two Sigma Securities, LLC for directing equity order flow to this venue. Payment varies based upon a number of factors including but not limited to: the type of security, time of order placement, and the underlying price. Payments received averaged less than \$0.0012 per share for order flow executed in the third quarter 2016.