

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

If you purchased the digital asset XRP, a class action lawsuit may affect your rights

A United States federal court authorized this Notice. This is not a solicitation from a lawyer.

- A lawsuit is pending in the United States District Court for the Northern District of California (the “Court”) against Ripple Labs, Inc.; Ripple’s subsidiary XRP II, LLC, and Bradley Garlinghouse, Ripple’s CEO (collectively, “Defendants”). The lawsuit is known as *In re Ripple Labs Inc. Litigation*, No. 18-cv-06753-PJH.
- The lawsuit claims that Defendants have offered and sold the digital asset XRP without registration in violation of federal and state securities laws.
- The Court has allowed the lawsuit to be a class action on behalf of two Classes:

Federal Securities Claims Class: All persons or entities who purchased XRP from July 3, 2017 through June 30, 2023 and who have (a) retained the XRP, and/or (b) sold the XRP at a loss.

California State Securities Claims Class: All persons or entities who purchased XRP from Defendants and/or from any person or entity selling XRP on Defendants’ behalf from July 3, 2017 through June 30, 2023 and who have (a) retained the XRP, and/or (b) sold the XRP at a loss.

The geographic scope of both Classes is limited to Class Members who purchased XRP within the United States during the relevant class period.

Excluded from the Classes are corporate officers, members of the boards of directors, and senior executives of Defendants; members of their immediate families and their legal representatives, heirs, successors or assigns; and any entity in which Defendants have or had a controlling interest.

- The Court has not decided who is right or wrong. There is no money available now, and no guarantee there will be. However, your legal rights are affected, and you have a choice to make now.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
Do Nothing	Stay in this lawsuit. Await the outcome. Give up certain rights. By doing nothing, you keep the possibility of getting money or benefits that may come from a trial or a settlement. But you give up any rights to sue Defendants separately about the same legal claims in this lawsuit. You will be bound by the result of this lawsuit.
Ask To Be Excluded	Get out of this lawsuit. Get no benefits. Keep your rights to sue. If you ask to be excluded from this lawsuit and money or benefits are later awarded, you will not share in those. But you keep any rights to sue Defendants separately about the same legal claims in this lawsuit. The deadline to request exclusion is April 5, 2024.

- Plaintiffs must prove the claims against Defendants at a trial, which is scheduled for October 2024. If you do not ask to be excluded from the lawsuit and money or benefits are obtained from Defendants, you will be notified about how to ask for a share.

Questions? Visit www.RippleClassAction.com or call toll-free at 888-256-6154

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BASIC INFORMATION

1. Why did I get this Notice?

You may be part of a class action lawsuit if you purchased the digital asset XRP from July 3, 2017 through June 30, 2023. This Notice explains that the Court has allowed, or “certified,” a class action lawsuit that may affect you. You have legal rights and options that you may exercise before the Court holds a trial scheduled for October 2024. The trial will decide whether the claims being made against Defendants, on your behalf, are correct. Judge Phyllis J. Hamilton of the United States District Court for the Northern District of California is overseeing this class action. The lawsuit is known as *In re Ripple Labs Inc. Litigation*, No. 18-cv-06753-PJH.

2. What is this lawsuit about?

The lawsuit claims that Defendants have offered and sold the digital asset XRP without registration in violation of federal and California securities laws. Defendants deny any wrongdoing, and the Court has not found that Defendants have committed wrongdoing.

3. What is a class action and who is involved?

In a class action lawsuit under the federal securities laws, a court appoints one or more people or entities to be the “Lead Plaintiff(s)” to sue on behalf of other people who have similar claims. If the court allows the lawsuit to proceed as a class action, the court appoints the Lead Plaintiff as the “class representative.” The people together are a “class” or “class members.” The Lead Plaintiff(s)—and all the class members like them—are called the plaintiffs. The companies and people they sued are called the defendants. One court resolves the issues for everyone in the class—except for those people who choose to exclude themselves from the class. In this lawsuit, the Court appointed Bradley Sostack as the Lead Plaintiff and class representative.

4. Why is this lawsuit a class action?

The Court decided that this lawsuit can be a class action and move towards a trial because it meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts. Specifically, the Court found that:

- There are numerous Class Members whose interests are affected by this lawsuit;
- There are legal questions and facts that are common to the members of the Classes;
- Lead Plaintiff’s claims are typical of the claims of the rest of the Classes;
- Lead Plaintiff and the lawyers representing the Classes will fairly and adequately represent the Classes’ interests;
- The common legal questions and facts are more important than questions that affect only individuals;
- The Classes are ascertainable because they are defined by identifiable objective criteria; and
- This class action will be more efficient than having many individual lawsuits.

More information about why the Court is allowing this lawsuit to be a class action is in the Court’s Order Certifying the Classes, which is available at www.RippleClassAction.com.

THE CLAIMS IN THE LAWSUIT

5. What does the lawsuit complain about?

The lawsuit claims that Defendants have offered and sold the digital asset XRP without registration in violation of federal and California securities laws. The lawsuit claims that Defendants are liable to certain persons or entities

who purchased XRP. The lawsuit claims that persons or entities who purchased XRP during the class period (July 3, 2017 to June 30, 2023) have the right to recover (a) the consideration paid for the XRP, with interest, if they retained the XRP, less the current price of the XRP or upon tendering the XRP, or (b) damages if they sold the XRP at a loss.

6. How do Defendants answer?

Defendants deny that they did anything wrong and argue that they were not required to register XRP under the federal and California securities laws, among other arguments and defenses. Defendants' Answers to the Complaint are also available at www.RippleClassAction.com.

7. Has the Court decided who is right?

The Court has not decided whether Plaintiffs or Defendants are correct. By establishing the Classes and issuing this Notice, the Court is not suggesting that the Plaintiffs will win or lose this case. The parties have a chance to prove or disprove their claims and/or defenses through motion practice. The Plaintiffs must prove their claims at the trial scheduled for October 2024. (See "The Trial" below on page 6.)

8. What are the Plaintiffs asking for?

Plaintiffs are asking for damages sustained as a result of Defendants' alleged wrongdoing, in the amount to be proven at trial or claims administration process, including prejudgment interest. Plaintiffs also seek injunctive or equitable relief as the Court may deem just and proper, and reasonable costs and expenses incurred, including counsel fees and expert fees.

9. Is there any money available now?

No money or benefits are available now as a result of the Classes being certified because the Court has not yet decided whether Defendants did anything wrong, and the two sides have not settled the case. There is no guarantee that money or benefits ever will be obtained. If they are, you will be notified about how to ask for a share.

WHO IS IN THE CLASSES

10. Am I part of the Classes?

The Court certified two Classes:

1. **Federal Securities Claims Class**: All persons or entities who purchased XRP from July 3, 2017 through June 30, 2023 and who have (a) retained the XRP, and/or (b) sold the XRP at a loss.
2. **California State Securities Claims Class**: All persons or entities who purchased XRP from Defendants and/or from any person or entity selling XRP on Defendants' behalf from July 3, 2017 through June 30, 2023 and who have (a) retained the XRP, and/or (b) sold the XRP at a loss.

The geographic scope of both Classes is limited to Class Members who purchased XRP within the United States during the relevant class period.

Excluded from the Classes are corporate officers, members of the boards of directors, and senior executives of Defendants; members of their immediate families and their legal representatives, heirs, successors or assigns; and any entity in which Defendants have or had a controlling interest.

11. I am still not sure if I am included.

If you are still not sure whether you are included, you can get free help at www.RippleClassAction.com, or by calling or writing to the lawyers in this case, at the phone number or address listed in Question 21.

YOUR RIGHTS AND OPTIONS

You must decide whether to stay in the Classes (and be bound by the results) or ask to be excluded (and keep your right to sue Defendants in your own separate lawsuit).

12. What happens if I do nothing at all?

You do not have to do anything now if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing you are staying in the Classes. If you stay and the Plaintiffs obtain money or benefits, either as a result of the trial or a settlement, you will be notified about how to apply for a share. Keep in mind that if you do nothing now, regardless of whether the Plaintiffs win or lose the trial, you will not be able to sue, or continue to sue, Defendants—as part of any other lawsuit—about the same legal claims that are the subject of this lawsuit. You will also be legally bound by all of the Orders the Court issues and judgments the Court makes in this class action.

13. Why would I ask to be excluded?

If you want to sue Defendants on your own regarding the same claims in this matter, or already have your own lawsuit against Defendants regarding the same claims in this matter and want to continue with it, you need to ask to be excluded from the Classes. If you exclude or remove yourself from the Classes—sometimes called “opting-out” of the Classes—you will not get any money or benefits from this lawsuit even if the Plaintiffs win at trial. However, you may then be able to sue or continue to sue Defendants on your own for the same or similar claims in this matter. If you exclude yourself, you will not be legally bound by the Court’s judgments in this class action.

If you start your own lawsuit or continue with a preexisting lawsuit against Defendants regarding the same claims in this matter after you exclude yourself, you will have to hire your own lawyer(s) for that lawsuit, and you will have to prove your claims. If you do exclude yourself so you can start or continue your own lawsuit against Defendants, you should talk to your own lawyer soon, because *your claims may be subject to a statute of limitations or repose*, meaning that you may face a deadline after which you cannot sue.

14. How do I ask the Court to exclude me from the Classes?

To ask to be excluded, you must submit an “Exclusion Request” by mail or email. Your letter or email must state that you want to be excluded from the *In re Ripple Labs Inc. Litigation*. Be sure to include your name, address, telephone number, email, and signature. If you choose mail, you must mail your Exclusion Request **postmarked by April 5, 2024**, to: *In re Ripple Labs Inc. Litigation*, c/o JND Legal Administration, Exclusion Requests, P.O. Box 91472, Seattle, WA 98111. If you choose email, you must send your email to Info@RippleClassAction.com by **April 5, 2024**.

IF YOU DO NOT EXCLUDE YOURSELF BY APRIL 5, 2024, YOU WILL REMAIN PART OF THE CLASSES AND BE BOUND BY THE ORDERS OF THE COURT IN THIS LAWSUIT.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

The Court decided that the law firms of Taylor-Copeland Law and Susman Godfrey L.L.P. are qualified to represent you and all Class Members as “Class Counsel.”

16. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want to hire your own lawyer, you can, but you will have to negotiate payment with them directly. For example, you can ask them to appear in Court for you if you want someone other than Class Counsel to speak for you.

17. How will the lawyers be paid?

If Class Counsel gets money or benefits for the Classes, they may ask the Court for an award of fees and expenses. You will not have to personally pay these fees and expenses. If the Court grants Class Counsels’ request, the fees and expenses would be either deducted from any money obtained for the Classes or paid separately by Defendants.

THE TRIAL

18. How and when will the Court decide who is right?

Class Counsel will have to prove Plaintiffs’ claims at a trial. The trial has been scheduled for October 2024 at the United States District Court for the Northern District of California, Oakland Courthouse, Courtroom 3 – 3rd Floor, 1301 Clay Street, Oakland, CA 94612. During the trial, a Jury and the Judge will hear all of the evidence to help them reach a decision about whether Plaintiffs or Defendants are right about the claims in the lawsuit. There is no guarantee that the Plaintiff will win, or that he will get any money for the Classes.

19. Do I have to come to the trial?

No. You do not need to attend the trial. Class Counsel will present the case for Plaintiffs and the Classes, and lawyers for the Defendants will present on their behalf. You or your own lawyer are welcome to come at your own expense.

20. Will I get money after the trial?

If Plaintiffs obtain money or benefits as a result of the lawsuit, and you remain in the Classes, you will be notified about how to participate. We do not know how long this will take.

GETTING MORE INFORMATION

21. Are there more details available?

This Notice contains a summary of the lawsuit and the proceedings. You can get additional information by visiting www.RippleClassAction.com, calling 888-256-6154, emailing Info@RippleClassAction.com, or writing the Administrator at:

In re Ripple Labs Inc. Litigation
c/o JND Legal Administration
P.O. Box 91472
Seattle, WA 98111

You can also call Class Counsel at 1-310-789-3100, or write them at:

Susman Godfrey LLP
1900 Avenue of the Stars, Suite 1400
Los Angeles, CA 90067

Complete copies of the pleadings, orders and other publicly filed documents in the lawsuit may be accessed for a fee through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>. They also may be examined and copied at any time during regular office hours at the office of the Clerk of the Court, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE.