Exhibit 5

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA
Case No. 1:21-MD-2989-CMA
- -x

IN RE JANUARY 2021 SHORT SQUEEZE
TRADING LITIGATION
- -x

March 24, 2023
9:05 a.m. CDT

***** CONFIDENTIAL *****

Virtual Videotaped
Deposition of BRENDAN CLARKE,
taken by Defendant, pursuant to Notice,
held remotely, before Sharon Pearce, RDR,
CRR, CRC, NYRCR, a Registered Diplomate
Reporter, Certified Realtime Reporter, and
Notary Public of the State of New York.

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* * *

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THE VIDEOGRAPHER: Good morning. Here begins the video recorded virtual remote deposition of Brendan Clarke appearing from his location in La Grange Park, Illinois. This deposition is taken by the defendant in re January 2021 Short Squeeze Trading Litigation, Case No. 1:21-MD-2989-CMA, in the United States District Court, Southern District of Florida.

Today is Friday, March 24, 2023, and the time is approximately 9:05 a.m. Central Daylight Time. My name is Howard Brodsky, and I am the legal video specialist in association with Veritext Legal Solutions with offices located in New York, New York. The court reporter is Sharon Pearce in association with Veritext.

And counsel have stipulated that the court reporter shall enter all appearances for this proceeding into the stenographic court record and have

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further stipulated and agreed that the court reporter may swear in the deponent remotely.

Will the court reporter please swear in the witness.

B R E N D A N C L A R K E,

having first been duly sworn by Sharon Pearce, the Notary Public, was examined and testified as follows:

EXAMINATION

BY MS. YOUNG:

Q. Good morning, Mr. Clarke.

A. Good morning.

Q. My name is Carolyn Young. I'm an attorney from Cravath, Swaine & Moore. And we represent the defendants in this matter, Robinhood.

Have you ever been deposed before?

A. No.

Q. Okay. So I'll go over some basics before we begin.

Do you understand that you've

been sworn in and your testimony today is given under oath?

A. Yes.

Q. Is there any reason why you cannot give complete and truthful testimony today?

A. No.

Q. The court reporter is taking down everything that we say. So it's important that you provide a verbal response to any questions. For example, nodding your head or shaking your head won't be recorded by the court reporter.

In a similar vein, let's just try to make sure we don't talk over each other. I know that's challenging sometimes on Zoom. But I'll get through my whole question, and I'll make sure to wait until you get through your whole answer before I jump back in.

During the course of the deposition, your counsel might object to some of -- the form of the questions that I've asked. That objection is just for

the record. Unless your counsel specifically instructs you not to answer a question, then you should proceed to answer the question even after you objects. Okay?

A. Yes.

Q. If you don't understand any question that I've asked you, please just let me know, and I will clarify it. Same thing if you don't hear any question fully, just let me know, and I'll repeat the question.

We'll try to take sort of regular breaks every hour ish. But if you do need to take a break at any point, just let me know, and I'll find a good place for us to stop.

Did you take any steps to prepare for your deposition today?

A. Yes.

Q. What steps did you take?

A. I met with the Rosen legal team and reviewed documents.

Q. When did you meet with the Rosen

legal team?

A. Over the past two days.

Q. Okay. How many times?

A. Twice.

Q. And how long were those meetings?

A. Approximately two hours each.

Q. And so you mentioned you reviewed some documents to prepare for this deposition?

A. Yes.

Q. Did any of those documents help refresh your recollection about the events in this lawsuit?

A. No.

Q. Other than your counsel, did you speak with anyone else to prepare for your deposition?

A. No.

Q. Have you spoken with anyone else about this deposition other than your counsel?

A. No.

MR. KIM: Objection to form.

Asked and answered.

Q. Other than meeting with your counsel for four hours and reviewing some documents, did you take any other preparatory steps before this deposition?

A. No.

Q. Okay. Have you discussed this lawsuit with anybody other than your attorneys?

A. No.

Q. Have you ever been a plaintiff in a lawsuit before?

A. No.

Q. Have you ever been sued before?

A. No.

Q. Have you ever been in a criminal proceeding before?

A. No.

Q. Have you ever participated in a class action?

A. No.

Q. Are you currently employed?

A. Yes.

Q. What is your job?

A. My official title is operations analyst.

Q. At what company?

A. Morningstar.

Q. What is Morningstar?

A. It's a financial services company. They basically sell software service to investment managers and the general public.

Q. Okay. And what do you do in your role as operations analyst?

A. I more or less just manage kind of back-end responsibilities for one of Morningstar's products called Retirement Manager, so doing -- using Excel and SQL for, like, data analysis and -- yeah.

Q. What is Retirement Manager?

A. It basically automates someone's portfolios that they reach their input retirement goal by the date at which they want to retire.

Q. And so when you say you work on the back end, is that, like, a technical role?

A. I would say somewhat technical.

Q. All right. Can you elaborate on that?

A. I mean, I'm not coding per se, but I'm using SQL and working with databases.

Q. What kind of databases are you working with?

A. Just standard relation databases, so MySQL.

Q. Okay. And what kind of data are you working with?

A. Essentially a lot of securities data, so fund data, and then PII data, so personally identifiable information data, customer data.

Q. And what do you mean when you say fund data?

A. Essentially just, you know, CUSIPs, internal IDs for identifying certain funds that customers use in Retirement Manager.

Q. What kind of customers use Retirement Manager?

A. So there's an individual product for, like, anyone that wants to use the product, and then there are also, like, employers that use Retirement Manager to handle their -- you know, their retirement plans for their employees.

Q. So is Morningstar a broker?

A. I don't know exactly.

Q. So let me ask you this.

For an individual that uses Retirement Manager, are they investing their funds with Morningstar?

A. Yes.

Q. Okay. In your role, do you manage any client funds?

A. No.

Q. Does Morningstar also provide services to help investors or investment managers do research about particular investments?

A. Yes.

Q. Okay. What is that service or software called?

A. Well, they have, I mean,

numerous products, if you will, for sort of investment research. They have a software service called Morningstar Direct, and then they also have -- essentially their Morningstar.com product is sold for that purpose.

Q. Okay. Can you describe those two products to me, the Morningstar.com and the Morningstar Direct.

A. So Direct is basically a downloadable software that usually investment managers use to get a full breakdown, just many different point -- like, types of data on a particular security or fund. And then Morningstar.com similarly offers a lot of data on, you know, stocks, bonds, ETFs, funds that with a subscription anyone from the general public could use or, you know, a fund manager.

Q. So is Morningstar Direct targeted to investment managers, or is Morningstar.com is what the sort of general public, as you say, would use?

A. More or less, yeah.

Q. Okay. Do you use either of those services?

A. I do, yes.

Q. Which one do you use, or either, I guess?

A. Both.

Q. Okay. And what do you use those for?

A. So Morningstar Direct I use more for my actual job occasionally, and then Morningstar.com I use personally.

Q. Okay. How do you use Morningstar Direct for your job?

A. Just to see if a fund is incepted, and it's -- like, I can pass a particular identifier in, search for it, and if it's a valid fund, the fund will come up in Morningstar Direct.

Q. Okay. And how do you personally use Morningstar.com?

A. Mostly to read news articles and then also do analysis on individual stocks.

Q. What kind of analysis does Morningstar.com let you do on individual stocks?

A. So it's mainly useful in my opinion for looking at determining if certain securities are undervalued.

Q. And what do you mean when you say undervalued?

A. That their fair market value is above what the current stock price is.

Q. Okay. And when you say fair market value, how would you define that?

A. Well, it's basically determined by doing financial statement analysis. It's not a super straightforward thing.

Q. Okay. Can you give me a little more than based on financial statement analysis?

A. Yeah. I'm not an equity analyst, so it's not my, you know, complete -- to my complete understanding. But more or less, you know, you can assign an equity certain maybe risk rating based on -- you know, you can discount it as a

different value essentially depending on, like, you know, the beta of an equity. And then you're also just looking at, you know, earnings per share. Yeah.

Q. Okay. And so what is the goal in identifying stocks where the fair market value is above the stock price?

MR. KIM: Objection to form.

Q. You can answer.

MR. KIM: The goal of what?

Q. The goal of identifying stocks where the fair market value is above the stock price.

A. The goal is to purchase a security less than it should be worth in hopes that you can make a good return on it.

Q. Does Morningstar have any policies that restrict what securities you yourself can buy and sell?

A. Yes.

Q. What are those policies?

A. Well, for example, I -- we have blackout periods where I cannot buy or

sell Morningstar stock in certain dates, usually near earnings announcement.

Q. So do the policies relate only to Morningstar stock?

A. There are other restricted securities, but they're generally not, like, standard common stocks.

Q. What kind of stocks are they?

A. I'm not 100 percent sure, in all honesty. But, I mean, they're very, like, obscure securities that I -- I don't really know the reason why they're restricted per se. But --

Q. Okay. But so it's a restricted list of particular securities.

A. Correct.

Q. Okay. So before you make a trade, you have to consult that list.

Would that be accurate?

A. Yes.

Q. Okay. Are there any other steps with your employer that you have to take before you make an investment?

A. I don't think so. I think

that's it.

Q. Okay. You have a college degree; is that correct?

A. Yes.

Q. Okay. What degree do you hold?

A. I have a bachelor's degree in finance and economics.

Q. From what school?

A. Marquette University.

Q. That's in Milwaukee?

A. Yes.

Q. Is that right?

Okay. When did you -- when did you graduate?

A. In May of 2021.

Q. You provided your résumé to your counsel; is that correct?

A. Yes.

Q. And your résumé lists coursework for your bachelor of science in finance and economics. And one topic of coursework is investment analysis.

Do you recall that?

A. Yes.

Q. Okay. What does that entail?

A. Well, that course covered many topics. More or less, I think the most important aspects of the course were basically just financial statement analysis, trying to determine fair value for a stock.

Q. Okay. The résumé also lists coursework in financial modeling.

Can you tell me about that?

A. Yeah. So basically just doing -- you know, using Excel, determining the fair value of a stock, using financial statements in Excel, essentially.

Q. Okay. So your coursework in financial modeling and investment analysis are sort of one and the same.

Is that what you're saying?

A. More or less. I mean, there's a lot of other things we did do. But I can't recall everything. It was a while ago.

Q. Other than your bachelor degree,

do you have any other educational credentials, like licenses or certifications of any kind?

A. No.

Q. So you don't have any certifications that relate to finance or investing, for example.

MR. KIM: Objection to form.

A. No.

MR. KIM: Asked and answered.

A. No.

Q. Thank you.

Do you have a Facebook account?

A. No.

Q. Have you ever had a Facebook account?

A. Yes.

Q. When did you have that account?

A. I don't remember exactly, but maybe back in 2013.

Q. When did you close that account?

A. I don't remember exactly.

Q. I guess -- sorry.

A better question is did you

close that account?

A. I -- honestly, I can't remember.

Q. Do you recall when the last time you used that account was?

A. No.

Q. Would it have been in the last two years?

A. No.

Q. Do you have an Instagram account?

A. No.

Q. Have you ever had an Instagram account?

A. No.

Q. What about TikTok?

A. No.

Q. You've never had a TikTok account?

A. No.

Q. And do you have a Twitter account?

A. Yes.

Q. Okay. What is your Twitter account handle?

A. I don't remember.

Q. How long have you had your Twitter account for? Do you recall?

A. I don't remember. Maybe four to five years.

Q. How often do you use Twitter?

A. Infrequently.

Q. So would that be, you know, weekly? Monthly?

A. I only recently downloaded it again. So I hadn't been using it for years prior to maybe a couple of weeks ago.

Q. Did you provide your counsel with your Twitter handle?

A. I can't remember.

Q. Okay. So we're going to mark the first exhibit here, which will be exhibit --

MR. KIM: Are we going sequential?

MS. YOUNG: We are. But this was just marked in the prior deposition. So this is the previously

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marked Exhibit 2.

MR. KIM: And Brendan, they're going to put this in Exhibit Share. So your window, it will populate once they put it up in there.

THE WITNESS: Okay.

MS. YOUNG: You'll need to refresh, but we'll let you know once it's dropped in there, and then you can refresh.

THE WITNESS: Okay.

(Defendant's Exhibit 2, A letter dated February 27, 2023, was previously marked for identification.)

Q. Okay. You can refresh. It should be -- it should be there for you.

A. Okay. I see it.

Q. Okay. So have you seen this document before?

A. Yes.

Q. Okay. If you can scroll down to what is marked as page 2, but it's the third page of the PDF.

Do you see your name?

A. Yes.

Q. The YouTube account provided here is [redacted]

Do you see that?

A. Yes.

Q. Is that the correct account name?

A. Yes.

Q. Do you ever post videos to this account?

A. No.

Q. Do you ever communicate with other YouTube users through this account?

A. No.

Q. Do you ever post comments on YouTube videos?

A. I mean, I'm sure I have in the past, but very rarely.

Q. Is this account active today?

A. Yes.

Q. When was the last time you used this account?

A. Probably yesterday.

Q. Was that just to watch a video?

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A. Yes.

Q. And below the YouTube account, we have a Reddit account here, [redacted] is that correct?

A. Yes.

Q. Is that your correct Reddit account handle?

A. Yes.

Q. You can put that to the side.

MS. YOUNG: Vineet, can you introduce Tab 9.

And we're going to introduce another exhibit. Okay. This will be Exhibit 12, because we're going sequentially from the prior deposition.

(Defendant's Exhibit 12, Brendan Clarke Reddit post history, was hereby marked for identification, as of this date.)

Q. Let me know when you can see that.

A. I still see Exhibit 0002.

Q. Okay. Okay. See if you can

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refresh now. It should be -- should be there.

A. Yeah. I see it.

Q. Do you recognize this page?

A. Yes.

Q. What is it?

A. My Reddit post history.

Q. And is your Reddit account then actually [redacted] You can see that here at the top left above "Welcome to Reddit"?

A. Yes.

Q. Great. And when did you create this account?

A. I suppose four years ago.

Q. One of the things that you posted on this account is your résumé to solicit comments when you were first applying for jobs; is that correct?

A. Yes.

Q. You can put this exhibit to the side.

MS. YOUNG: Vineet, can you introduce Tab 23.

So this will be Exhibit 13.

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(Defendant's Exhibit 13, A Reddit post and résumé, was hereby marked for identification, as of this date.)

Q. We'll let you know when you can refresh when it's in there.

Okay. You can refresh and see if you can see it.

A. Okay. I see it.

Q. Do you recognize this page?

A. Yes.

Q. What is it?

A. Just one of my posts about my résumé asking for feedback.

Q. Why were you asking for feedback on your résumé?

A. Just to try and prove it to increase the probability of me getting interviews.

Q. Can you scroll to the final page -- or sorry -- the second-to-last page of this document.

A. Page 5 out of 6?

Q. Let me just confirm.

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Sorry. This will be page 6 of the PDF?

A. Yeah. I think I see it.

Q. Do you recognize this résumé?

A. Yes.

Q. So this is one of the résumés that you -- one of the draft résumés, I should say, that you posted to Reddit for feedback?

A. Yes.

Q. So I want to direct you under "Projects," there's a section called "Equity Portfolio Construction & Analysis."

Do you see that?

A. Yes.

Q. This section says that you have built and analyzed equity -- three equity portfolios.

A. Yeah.

Q. Can you tell me about that project.

A. Yes. So I don't honestly remember that well what course this was

in, but yeah. I mean, it might have been in my investment analysis class. But essentially, I'm pretty sure what we did is we picked -- like, we were put into teams. We picked equities, and then we basically used those as our portfolios, and then we -- after, say, like, four weeks, we, you know, analyzed the portfolios based on the close of, you know, X date, and we, you know, analyzed who had the better, you know, alpha Sharpe ratio, et cetera.

Q. Okay. And so you selected the equities that went into these three portfolios that you built.

A. Correct, yeah. Well, yes. I built one and then analyzed three.

Q. Can you tell me what a Sharpe ratio is?

A. Yeah. So it's been a while, but I think it's basically for risk-adjusted returns. A higher Sharpe radio, the better risk-adjusted return.

Q. What is a risk-adjusted return?

A. Basically a particular return that takes into account the -- you know, the risk, the riskiness of the investment choices.

Q. Okay. How does it take that riskiness into account?

A. Mathematically, I can't remember exactly, but you look at betas of securities basically.

Q. What is a beta of a security?

A. A beta is, like, a statistical variable that I think measures the standard deviation from, like, a mean return of that security, and, like, a riskier security will have more kind of, you know -- be more standard deviations away from the mean, so it will have a higher beta.

Q. And this says that you built regressions calculating portfolio alphas, betas, and Sharpe, Treynor, and Info ratios.

So we just talked about betas.

What's a portfolio alpha?

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A. A portfolio alpha is essentially a variable for, like, determining if your equity selection or equity -- or security allocation was -- gave you an ex-assess return relative to a benchmark.

Q. And what is a Treynor ratio?

MR. KIM: Carolyn, can we get to the relevance at some point? I mean, I don't want to sit here and relive Mr. Clarke's entire college course career. So, I mean, let's wrap this up. I mean, is this going to get tied into anything?

MS. YOUNG: Yeah. This is about investing, which is why we're here today. And so this is our time, and we're going to go through these questions. But we appreciate the commentary.

BY MS. YOUNG:

Q. So this résumé indicates that you calculated Treynor ratios.

Can you tell me what that is?

A. So the Treynor radio, it's --

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it's a more obscure ratio, same with Information ratio. Honestly, I don't remember the exact details.

Q. Is it another way to understand an investment's risk-adjusted return?

Does that sound correct to you?

A. I -- I -- honestly, I don't remember, but, I mean, generally, yes, all of these things do that.

Q. At the bottom here -- so I think it's on the next page of the PDF -- you list some interests, one of which is equity research.

So is this a personal interest of yours? Is that why you're listing it here?

A. More or less, yeah.

Q. And what is the purpose that you're doing equity research on a personal basis?

A. Just for my personal investments.

Q. For your own investments.

A. Yes.

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Q. You can put that exhibit to the side.

MS. YOUNG: Vineet, can we do Tab 25.

(Defendant's Exhibit 14, A Reddit post and résumé, was hereby marked for identification, as of this date.)

MS. YOUNG: This will be Exhibit 14.

Q. And it should be in your folder.

A. Okay. I see it.

Q. Okay. Do you recognize this page?

A. Yes.

Q. Okay. Is this you posting another version of your résumé on Reddit? Is that correct?

A. Yes.

Q. Okay. Can you turn to the second-to-last page again, which will be the résumé.

A. Okay.

Q. And here, under "Projects," the

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second category is now "Equity Analysis & Modeling."

Do you see that?

A. Yes.

Q. And you list various analyses that you did for particular individual investments or for companies; is that right?

A. Yes.

Q. Can you tell me about these analyses that you did for these particular investments.

A. Yeah. So this was another project. So basically, we were put into teams. We picked three individual securities. I picked NVIDIA. And then for each of the different securities, we -- we used different kind of forms of analysis. So there's, like, different financial models you can use to determine a security's fair market value.

So, like, in this case, I did a DCF model. So -- and then the other ones, there was, like, a discount dividend

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model. There's -- it might say it in here. I don't think it does. But yeah. There's other financial models you can do. And there was another one. But yeah.

Q. So all of these financial models that you were running, are they all trying to get to the fair market value of a stock? Would that be accurate?

A. More or less, yes.

Q. You can close out of that exhibit.

So we've been looking at -- these résumés were posted on some sub-Reddits -- a Financial Careers Reddit, a Résumé sub-Reddit.

How much time would you say you spend on Reddit?

MR. KIM: Objection to form.

A. I used to spend a good amount of time on it. I don't have the app installed anymore, though.

Q. Are you familiar with a sub-Reddit Wallstreetbets?

A. Yes.

Q. What is Wallstreetbets?

A. It's basically just a place where a bunch of people go and give more or less their opinions about certain investments.

Q. Are you a member of that sub-Reddit?

A. Yes.

Q. Have you ever posted or commented on posts on Wallstreetbets?

A. I don't think I've ever posted anything, and I don't really remember if I've ever commented on anything.

Q. When did you first join Wallstreetbets?

A. Prior to maybe really early on in the whole GameStop saga.

Q. Do you have a sort of month in mind that you would characterize as early on in the saga?

A. Honestly, I'm not 100 percent sure.

Q. It would have been in 2020; is that correct?

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MR. KIM: Objection to form.

A. I don't know for sure, but possibly, yes.

Q. What caused you to join that sub-Reddit?

A. Well, it was kind of getting a lot of attention on the internet through, like, news articles. And so I heard about it and had to check it out for myself, basically.

Q. What was it getting attention for?

A. Just a lot of the kind of crazy bets that certain people had on certain securities, people doing, you know, due diligence, if you could call it that, on, like, certain securities getting a lot of attention.

Q. Okay. And when you say "due diligence, if you could call it that," why would you characterize it that way?

A. Because they're -- I mean, they're doing some research on security that may or may not include, like, you

know, data from financial statements. But at the end of the day, you know, they're giving their opinion and -- yeah. It's sort of, you know, research, due diligence.

Q. Do you recall visiting Wallstreetbets in January of 2021?

A. I can't recall exactly.

Q. You said earlier that you joined Wallstreetbets sort of early on in the GameStop saga.

What is the GameStop saga that you're referring to?

A. So more or less, there was this YouTuber. I think his name was, like, Roaring Kitty or something. And for, like, quite some time -- I'm not exactly sure how long, but prior to the stock price of GameStop increasing, like, a great deal, he was posting, you know, like, more genuine, like, analysis of the company, seeing how it was undervalued, you know, how its shortage risk didn't represent the actual, like, fair value of

the stock, and so he was purchasing the stock. And then, you know, over time, those videos just got more attention, and, you know, then it moved to Reddit, and people just started, you know, giving it even more attention, et cetera.

Q. What kinds of things were being said about GameStop at that time on Reddit?

A. So a lot of things. I can't recall exactly everything. But, you know, there are people doing their own analysis, like I mentioned before, you know, saying why they thought the stock price should increase, more or less.

Q. What were they saying about why the price should increase for GameStop?

A. Some people thought it was undervalued. Other people thought that, you know, buying the stock, increasing the price of the stock would force, like, short sellers to cover their positions, increasing the stock further.

Q. So are you referring a short

squeeze when you say a short -- forcing short sellers to cover their positions?

A. Yes.

Q. So you recall the attempted short squeeze being discussed on Reddit about GameStop.

MR. KIM: Objection to form.

Q. Is that correct?

MR. KIM: I don't know about "attempted," but object -- I don't think that was his testimony. But objection to form.

MS. YOUNG: We can remove that word.

Q. Are you talking about the short squeeze of GameStop on Reddit, being discussed on Reddit?

A. Yes.

Q. What was your reaction to that discussion on Reddit?

A. I mean, at first, I thought that it was just more or less entertaining.

Q. Why was it entertaining?

A. Just because, you know, I mean,

after the stock price ran up a little bit, I didn't think that the stock was really -- I mean, my personal opinion was that it wasn't fairly valued anymore. But you know, people were still confident in the stock, and that was just very, you know, interesting and entertaining to me.

Q. And when you say it's your personal opinion that GameStop wasn't fairly valued anymore after this run-up, what do you mean by that?

MR. KIM: Objection to form.

A. I mean, you know, I can't recall exact details as to, like, certain price or something. But, like, you know, after it, you know, ran up even, like, just tripled in price, you know, I didn't really think that it was a fair value anymore.

Q. Why is that?

A. Because, I mean, the company just wasn't in a -- wasn't in a spot to grow organically at that point still.

Q. What is your understanding of

why the price was running up so much?

MR. KIM: Objection to form.

A. There were people who wanted to buy the stock.

Q. Okay. And does it relate to the short squeeze that you were talking about earlier?

MR. KIM: Objection to form.

A. I don't -- I don't know for sure.

Q. Okay. Let me rephrase that, then.

Based on what you were seeing on Wallstreetbets on Reddit at the time, what's your understanding of why the price was running up on GameStop?

MR. KIM: Objection to form. You've already asked him the same question.

Q. You can go ahead.

MR. KIM: Calls for speculation. Lack of foundation.

A. Just because people were buying the stock.

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Q. So you testified that you saw people on Reddit commenting that buying the stock would increase the price of stock and would force short sellers to cover their positions.

Do you recall that?

MR. KIM: Objection to form. It mischaracterizes testimony.

A. Yes. Some people discussed that.

Q. Okay. So people on Wallstreetbets were discussing reasons they thought the price of GameStop was going to increase; is that correct?

MR. KIM: Objection to form.

A. Yes, some.

Q. Okay. And you recall viewing those conversations on Wallstreetbets.

A. Yeah. I mean, some, again.

Q. And you mentioned you saw news articles about this as well during the run-up; is that correct?

MR. KIM: Objection to form.

What is "this" referring to? Are you

saying this Wallstreetbets? This, that, whatever else?

Q. Sure. So you mentioned that one of the reasons that you got into Wallstreetbets was because there were news articles about Wallstreetbets during the price run-up of GameStop; is that correct?

A. Yes.

Q. Do you recall what those news articles said?

MR. KIM: Objection to form. Asked and answered.

A. I can't remember exactly.

Q. Okay. Do you remember at all what they said?

A. I -- I don't know for sure.

Q. I understand. But what is your memory? You reference those articles. That is the reason that you joined Wallstreetbets.

What is your memory of what they were saying at the time?

MR. KIM: Objection to form. Asked and answered. He said he didn't

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remember. Now you're asking him to guess?

MS. YOUNG: No. He says --

MR. KIM: Calls for speculation.

MS. YOUNG: He says, "I don't know for sure."

Q. I'm asking you just what your memory was.

MR. KIM: Then he didn't remember.

MS. YOUNG: Phil, it's been asked --

MR. KIM: Asked and answered.

MS. YOUNG: Okay. Your objection is noted.

Q. You can go ahead, Mr. Clarke.

A. Like I said, I don't really remember exactly. But, I mean, more or less, they were just giving, like, a summary of, you know, why -- like, why this price of GameStop was, you know, so volatile and also just, like, what Wallstreetbets was.

Q. Okay. When you say that price

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of GameStop, the articles were noting it was volatile, what does that mean to you?

A. Just that it was changing rapidly.

MR. KIM: Hey, Carolyn, we've been going for an hour. I mean, I don't want to break your flow. But do you think this is a good time for a break, or if you've got a few more questions to close this topic, feel free. But I just wanted to flag that.

MS. YOUNG: Sure. We can do a few minutes here.

MR. KIM: Okay. Five minutes?

MS. YOUNG: Sure. A couple more questions.

MR. KIM: Oh, oh. I thought you said you wanted to take a break now.

Okay. Go ahead.

BY MS. YOUNG:

Q. Are you still a member of Wallstreetbets?

A. I don't remember for sure.

Q. You don't remember removing

yourself, I guess, from the Wallstreetbets sub-Reddit.

A. Yeah. I'm not 100 percent sure.

Q. Okay. When was the last time you recall being on Wallstreetbets?

A. I can't remember, honestly, for sure. A while ago.

Q. Okay. And so you joined early on in the GameStop saga, you said.

How frequently were you visiting Wallstreetbets sort of in early 2021?

A. In the beginning, like, earlier on in that timeframe, maybe a few times a day, and then as, you know, the stock price was getting even more volatile, I visited it more frequently, you know, maybe, like, a dozen times a day just because, like, there was so much traction on the sub-Reddit.

Q. And were you following at that time -- in early 2021, were you following the news as well about GameStop?

A. Yes.

Q. How frequently? Would you say

daily?

A. I mean, you know, I don't know for sure, but probably. I mean, it was essentially in the news every day, anyway. So yeah.

Q. Are there any particular users that were posting on Wallstreetbets that you followed more closely?

A. No.

Q. So are you a follower of Roaring Kitty?

A. I -- I saw, you know, people talking about him, and then after the fact, I did, like, look at his original videos. But I didn't necessarily follow his Reddit posts.

Q. Okay. We can take a five-minute break now if that works for you.

MR. KIM: Yeah. Fine. Thanks, Carolyn.

THE VIDEOGRAPHER: The time is 10:01. We are off the record.

(Recess)

THE VIDEOGRAPHER: The time is

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10:09. We are on the record.

BY MS. YOUNG:

Q. Mr. Clarke, I just have one question from the discussion we were just having about Reddit.

Do you recall ever deleting any posts or comments that you made on Reddit?

A. I don't remember.

Q. You don't remember either way if you've done that?

A. Yes.

Q. You are an investor in the stock market; correct?

A. Yes.

Q. When did you start investing?

A. I don't remember exactly, but say maybe shortly after I turned 18.

Q. And how many years ago was that?

A. Five.

Q. What was the reason that you started investing?

A. To try and make money, more or less.

Q. You were a Robinhood customer;

correct?

A. Yes.

Q. When did you become a Robinhood customer?

A. I don't remember exactly, but maybe 2018, 2019, something around there.

Q. Do you still use Robinhood?

A. Infrequently, but yes.

Q. What do you mean by infrequently?

A. I don't really have that much, like, cash or, you know, capital in Robinhood anymore. So I mainly use other brokerages over Robinhood now.

Q. What are the other brokerages that you use?

A. Charles Schwab. I also have a TD Ameritrade. And then I recently opened up Fidelity just, like, a week ago.

Q. When did you open your Charles Schwab account?

A. So right after I started at Morningstar. So it has my 401k, and then I also have a Roth IRA in -- at that

brokerage.

Q. When did you -- when was that, that you started at Morningstar?

A. December of 2021.

Q. And when did you open your TD Ameritrade account?

A. That was my original account. So I don't know exactly, but probably 2017.

Q. And do you still use that account today?

A. Yeah. The account is still open, and I use it infrequently.

Q. Okay. And what do you mean by infrequently in this instance for TD?

A. I don't have too much cash on that account, so I don't really make too many trades or purchase many securities on it.

Q. Of Robinhood, Charles Schwab, TD Ameritrade, and Fidelity, what would you say is your main brokerage account that you use most frequently?

A. Right now my Charles Schwab.

Q. Have you traded in GameStop in any of these accounts?

A. Only Robinhood.

Q. On any of your brokerage accounts, do you review company-specific information?

A. Like, such as?

Q. So for example, some apps might have a feature where you can click into a particular stock and view news about that company.

Is that the type of thing that you do on any of your brokerages?

A. I mean, I look at news for the companies that I invest in, but not necessarily in the brokerage app.

Q. On the apps, do you keep lists -- any sort of lists or collections of stocks that you're following?

A. I have lists in my Robinhood account, and the other accounts, no.

Q. What about news about the market in general? Do you view any of that on your brokerage accounts, on the apps?

A. Not really. I don't -- I don't really think so. I -- like, more or less when it comes to news, I, like, have, like, other apps downloaded specifically for news. So, like, for example, like, CNBC, the Wall Street Journal, and then I get notifications frequently about, you know, market news from those sources.

Q. Do you have particular notifications set up for market news?

A. Well, I have notifications turned on for those apps that I mentioned. So not specifically for market news per se, but they just kind of give market news in general, if that makes sense.

Q. So you don't have, right, like, a particular set of terms, for example, that you're getting notifications on. It's just anything that is on those platforms?

A. Yeah. Exactly. Just general notifications.

Q. Do you invest on behalf of anyone else?

A. No.

Q. Does anyone invest on your behalf?

A. No.

Q. Have you ever hired an investment or a financial advisor?

A. No.

Q. How much time currently would you say that you devote to investing for yourself personally?

A. It depends on kind of, like, what's in the news, more or less. Like, right now, I'm spending a little bit more time than, say, I was maybe, you know, three months ago or so.

Q. Why is that?

A. Just because I think the markets -- I mean, it's my opinion that the markets are in, like, a little bit of a precarious state, and I have investments in some companies that have run up, like, a good amount this calendar year that I'm debating on whether I should just de-risk and sell off.

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Q. What are those companies?

A. AMD and NVIDIA.

Q. What is AMD?

A. Advanced Micro Devices. It's basically a company that creates and sells, like, computer chips in, like, various forms. So, like, it could be, like, a graphics card. Yeah.

Q. And what about NVIDIA? What is that?

A. They more or less do the same thing. They have more kind of business units. Like, they also do, like, software and -- yeah. Their reach is a bit more broad than AMD's.

Q. Is that the same company that you did work on in college to analyze that stock? Is that right?

A. Yeah, for that project. Yeah.

Q. What kind of analyses do you do on those investments?

MR. KIM: Objection to form.

A. For those two stocks in particular?

Q. Sure. We can start with that. Yeah.

A. More or less just looking at earnings growth relative to market price, you know, trying to get a fair value for the stock relative to market price. And those are obviously growth stocks, so, you know, they may or may not be -- they may be loosely decoupled from the fundamentals at times.

Q. Okay. What do you mean by decoupled from the fundamentals?

A. Like, essentially, you know, taking into account, like, the book value plus, like, expected growth. You know, growth stocks can go beyond, you know, just, like, the bottom line, taking growth and, you know, bottom line book value into account, more or less.

Q. What is a growth stock?

A. More or less a stock that has high estimates for increasing earnings over time.

Q. Apart from those two stocks,

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when you decide that you're considering purchasing a particular security, can you walk me through how you make that decision.

MR. KIM: Objection to form. Is there a time period we're talking about? We're talking about now? Yesterday? Tomorrow?

Q. I assume we can't talk about tomorrow. But sure.

Like, if today you were going to -- you were considering an investment, what would be your process?

A. Do -- I mean, it depends why I was purchasing the security, like, for what reason.

Q. What are the different reasons you would consider purchasing a security?

A. Well, I mean, if I wanted to be a long-term shareholder, my analysis would be different than if I was just trying to, like, make a trade essentially.

Q. Okay. In the latter case, where you're just trying to make a trade, what

is your process?

A. More or less momentum, so just, like, general volume, sentiment in the current moment, volatility in the stock.

Q. How do you assess the sentiment?

A. General market news, so, like, any, like, announcements that came from the company, how that's affecting the stock price. Yeah.

Q. What about volatility? How do you assess volatility?

A. More or less, you know, if volume is increasing or accelerating for a security.

Q. In that case, you would consider it more volatile? Is that correct?

A. Yes.

Q. Okay. What if you are looking to be a long-term investor? What's your process there when you're considering an investment?

A. I would try to come to the conclusion that buying into the company at its current levels is below the fair

market value, and also I just look at, you know, how the company is currently doing, like, what their growth prospects are in the future, like, if they have, you know, a good competitive advantage, you know, how influential in my opinion do I think the company will be in the future, things of that nature.

Q. Of the sort of financial statement analyses that we discussed earlier that were part of your college courses, do you undertake those analyses when you're considering a stock?

MR. KIM: Objection to form.

A. It depends really.

Q. What does it depend on?

A. Well, like, certain -- like, you might use a different financial model than, like -- you might look at different metrics from the financial statement -- financial statements depending on, like, what type of company you're looking at or, like, what industry the company is in, et cetera.

Q. Okay. So you do those analyses. Just it depends what type of stock. You might do a different one of those analyses and rely on different factors for each investment; is that right?

A. Yeah, more or less, yeah.

Q. In January 2021, would you say this process, both for making a trade and for considering a long-term investment, was that the same process that you used at that time?

MR. KIM: Objection to form.

A. I can't really remember.

Q. Do you recall ever having a different process when you're considering an investment?

A. I can't really remember.

Q. Do you recall ever considering an investment in January 2021?

A. Sorry. Can you repeat the question?

Q. Do you recall ever considering making an investment in a particular security in January 2021?

A. Yes.
Q. What was that security?
A. GameStop.
Q. Was that the only investment that you considered in January 2021?
A. I don't know for sure. I can't really remember.
Q. You don't recall any other investments that you were considering at that time; is that right?
A. Yes.
Q. Okay. When you're determining whether you might sell a particular security, what is your process for considering that sale?
A. It again kind of depends on, like, the nature of why I bought the security in the first place. But yeah.
Q. Can you walk me through that?
A. So for example, if I purchased the security to -- you know, for, like, long-term purposes, I would really only sell the stock if -- I mean, I might sell the stock if I thought the overall market

was going to deteriorate, like, in the near term in hopes of buying it back for an even lower price. Otherwise, I would more or less just hold that security until I thought that, you know, there were material kind of, you know, changes in the business that made it less competitive and less compelling to own and grow in the future.

And then on the other hand, if I was, you know, just making a trade or something, you know, I might not want to own the security long term, so I would more or less, you know, try and -- I mean, it would depend on -- there's a lot of different factors. But, you know, I might just sell out when I made a good profit, or, you know, I might hold the trade a little longer because I thought, you know, it could go a little higher in the short term, and then when I thought it got close enough to fair market value, I might sell it. It kind of depends. But yeah. That's generally --

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Q. We talked about general sort of news about the market.

Are there any particular programs or segments about investing that you follow?

MR. KIM: Objection to form. You're talking about TV shows? Programs? I don't understand the question. But --

MS. YOUNG: Sure. We can walk through those one at a time.

Q. TV shows?

A. I mean, occasionally, I'll watch, like, for example, like, CNBC.

Q. Any particular program or segment on CNBC?

A. No. Just in general, they give, you know, realtime news more or less, so it's sometimes useful to watch for that news.

Q. What about podcasts?

A. Not really. I -- I can't really remember if I have -- I mean, I've definitely seen -- briefly listened to

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podcasts in the past, but, like, I really don't listen to podcasts.

Q. The ones you've listened to in the past, those are investment-related podcasts?

A. I can't remember exactly, but, I mean, definitely not exclusively.

Q. And you don't recall what any of the investing-related podcasts are that you've listened to; is that correct?

A. Yeah. I don't really remember.

Q. Do you subscribe to any newsletters about investing?

A. No.

MR. KIM: You don't subscribe to Morningstar?

THE WITNESS: Oh, yes. So yes, I guess.

Q. Did you start that subscription when you started your job at Morningstar?

A. Yes.

Q. Are there any YouTube creators that you follow that discuss investing?

A. I mean, not really that I follow

per se. Like I mentioned before, I, like, saw some of, like, for example, Roaring Kitty's videos. Yeah. Beyond that, other creators I don't really watch particularly for investing or -- yeah.

Q. Other than Wallstreetbets, are you part of any investing-related sub-Reddits?

A. I don't really remember exactly, but possibly, because there were other kind of, like, adjacent sub-Reddits to Wallstreetbets that, you know, more or less went hand in hand, and I possibly could have, you know, looked at or even subscribed to those adjacent sub-Reddits when I used Reddit back then.

Q. When you say they were adjacent to Wallstreetbets, is that that they were created sort of around the same GameStop run-up events as Wallstreetbets?

A. Well, I don't know if they were created even just for GameStop. But, I mean, you know, they would post, like, more or less the same sort of, like,

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things, like, their, you know, conclusions, their own personal opinions about certain securities and other, like, various, like, posts. Yeah.

Q. Do you recall during that time period, so let's say December of 2020 through February of 2021, any sub-Reddits that were devoted to particular securities?

A. No.

Q. So you don't recall any, for example, GameStop-specific sub-Reddits.

MR. KIM: Objection to form. Asked and answered.

A. I -- I really don't remember exactly.

Q. Do you receive market news on Twitter?

A. Such as?

Q. Any news related to the stock market.

A. Right now, I -- so recently, since I've re-downloaded the app, yes.

Q. Okay. So are you saying that

any of the sort of stock market news that you're now following you only recently followed in the last -- I can't remember what you said -- one month maybe since you re-downloaded it?

A. Yes.

MR. KIM: Objection to form.

Q. And so previously, you didn't follow any market news sources.

A. I can't recall exactly, but possibly, yes.

Q. Do you use Discord?

A. Yes.

Q. What is your user handle on Discord?

A. I can't remember exactly.

Q. Okay. What is Discord?

A. It's basically just, like, a place where you can chat with other people through text or voice.

Q. What do you use Discord for?

A. I don't really use it that much anymore, but I used to use it to, like, communicate with people when I was, like,

playing video games.

Q. How long have you had a Discord account for?

A. I don't remember exactly, but maybe since 20 -- 2017.

Q. Were you a part of any conversations on Discord that related to, as you referred to it, the GameStop saga?

A. No.

Q. How would you describe your current investment strategy?

MR. KIM: Objection to form.

Asked and answered.

A. It kind of depends. I think, as I mentioned earlier, like, it depends what I'm trying to get out of the investment.

Q. Okay. So how would you describe that to me, then?

MR. KIM: Objection to form.

Asked and answered.

A. So, like, for example, if I was trying to invest in a company long term, I would more or less buy and hold that security as I deemed, you know, necessary,

and then -- or if I was trying to make a trade, I would, you know, buy and sell the securities as I thought was adequate.

Q. Do you focus on any particular type of stocks?

A. It depends. I don't really invest in certain -- certain industries exclusively. But, like, for example, I do invest heavily in, like, semiconductors stocks, just because I think they're a good long-term investment. And then beyond that, I just invest in, you know, good companies that are underpriced, generally.

Q. How would you characterize your risk tolerance when you invest?

A. So right now, I have a pretty long time horizon, so I would characterize my risk tolerance as high.

Q. Why does the long time horizon matter for how you characterize your risk tolerance?

A. Well, I mean, I'm 24. So I'm not going to be hitting retirement age

anytime soon for the next, you know, 30-plus years at least.

Q. Would you say that your investment strategy has changed at all since 2021?

MR. KIM: Objection to form.

A. No.

Q. Do you have experience trading options?

A. Yes.

Q. What are options?

A. They're essentially a derivative of a security where you have the option to purchase, you know -- like, for example a call option, you have the option to purchase stock -- or a stock at some point in the future at a specified price.

Q. Why do you trade options?

A. Well, options can be used as insurance. They can also be used as, you know, a kind of a levered investment, you know, financial product.

Q. What do you mean they can be used as insurance?

A. I mean, for example, if you had a portfolio that, you know -- and you thought, for example, the market -- the broad market was going to deteriorate for any reason, you could buy, you know, like, put options on, you know, any security or something which would act as insurance, you know, on the rest of your portfolio so that your drawdowns aren't as excessive.

Q. You testified earlier that you invested in GameStop in January of 2021; is that correct?

A. Yes.

Q. What kind of company is GameStop?

A. A -- essentially a retail franchise store that sells video games and other things.

Q. Have you ever done any research into GameStop as a potential investment?

A. I don't really remember exactly at the time.

Q. You don't recall if you did any research into GameStop in January 2021.

A. In -- yeah. I mean, I would have looked at, you know, general market sentiment and, like, certain things like value of the stock when I purchased it back then, but I don't really remember exactly anything else.

Q. Okay. And that's because you were considering it a short-term investment; is that correct?

A. Yes, at that time, yes.

Q. And so the things that you previously testified you looked for for a short-term investment are momentum, volume, sentiment, and volatility; is that correct?

A. Yes.

Q. Anything else?

A. I mean, if -- like, for example, recently, I bought some Charles Schwab stock because I thought it was kind of oversold unnecessarily in light of the whole recent banking crisis, if you could call it that. So, you know, I looked at that as being very oversold in the

short-term, so I purchased it in, you know, the hopes of just selling it off shortly after I purchased it.

Q. What do you recall about the momentum of GameStop in January of 2021?

A. Well, generally, it was just becoming more and more of a, you know, trending security, and volume was accelerating.

Q. I guess maybe to back up, how would you define momentum when you say it?

A. Essentially just accelerating volume.

Q. And can you tell me more about what you mean by it being a trending security?

A. Yeah. Like, one that's, you know, being talked about in the news frequently, one that just many people are discussing in social media -- on social media and stuff.

Q. And so what were you seeing about GameStop in January of 2021 that causes you to say it was a trending

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security?

A. Just the -- you know, the various news posts and articles that came out about GameStop and in social media, you know, just everyone discussing that individual's stock.

Q. What was the content of those news articles and social media posts that you're referring to, generally?

A. Just, I think as I mentioned earlier, like, you know, why it was so volatile, you know, people's opinions on it. Yeah.

Q. Okay. When you say why it was so volatile, what were -- what was in the news about why it was so volatile?

MR. KIM: Objection to form. Asked and answered.

A. Basically just, like, why people were buying the stock, why they thought people were buying the stock for what different reasons in their, you know, opinion.

Q. What were those reasons?

A. I mean, there was many reasons, but, you know, some people like the company. Other people, you know, were buying the stock in hopes that there would be a short squeeze. You know, I'm sure some people were buying it, just like me, for kind of like the momentum trade, things like that.

Q. So how would you describe the sentiment, then, as it relates to GameStop in January of 2021?

A. I mean, I would say it depends on, you know, the party that you're asking. But, like, the general -- in the general public, it was -- it had positive sentiment.

Q. And that's something that you considered when you were considering the trade. Is that accurate?

A. Yeah.

Q. And for volume, what were you observing with respect to the volume of GameStop in January 2021?

MR. KIM: Objection to form.

Asked and answered.

A. Just that, you know, it had elevated volume, and that volume wasn't -- it was accelerating over time.

Q. What about volatility? What were you observing with respect to volatility for GameStop in January of 2021?

A. More or less just that heightened volume. Yeah. I'm not really sure exactly, but, you know, possibly also just the general market volatility was heightened at that period. I don't remember exactly. But maybe looking at the VIX or something.

Q. What's the VIX?

A. The volatility index.

Q. And what does that represent?

A. It's been a while, so technically speaking, I don't remember exactly, but it's an index that was created by the CBOE, and it measures, you know, just general kind of volatility in the stock market.

Q. And what do you recall about the reasons that, as you say, general market volatility was heightened at that time?

MR. KIM: Objection to form.

A. I mean, I don't remember entirely, but, I mean, definitely, you know, the dollar inflows into the, you know, stocks like GameStop contribute to it, for example.

Q. When you say stocks like GameStop, what other stocks would you put into that basket?

A. Stocks like AMC and all the other relevant securities in this case.

Q. And would you classify those stocks as Meme stocks?

A. I --

MR. KIM: Objection to form.

A. I don't -- I don't really know for sure.

Q. What causes you to group those stocks together?

A. Well, those were the stocks that were kind of most heavily invested in that

period that had significant investor losses as a result of Robinhood's actions.

Q. Were they also stocks that had a significant run-up in price in January of 2021? Would you agree with that?

A. Yes.

Q. Have you heard the term Meme stock before?

A. Yes.

Q. When did you first hear that term?

A. It was discussed, like, you know, in sub-Reddits like Wallstreetbets, and then also, you know, the news articles at the time were discussing them.

Q. What is your understanding of a Meme stock?

A. More or less where, you know, the fundamentals of a company weren't strong, but people, you know, invest in them anyway for whatever reason.

Q. Is GameStop a Meme stock?

MR. KIM: Objection to form.

Asked and answered.

A. It, you know, depends who you ask. I don't really know.

Q. Okay. So I'm just asking you on your thoughts, if you think GameStop is a Meme stock.

MR. KIM: Objection to form. Asked and answered.

A. No.

Q. Okay. Why do you say that?

A. I mean, it's -- you know, it still has a legitimate underlying business model. So I don't see it as, you know, a Meme stock.

Q. Okay. What is one stock that is a Meme stock?

A. Well, I don't -- I don't really view any of the stocks as, like, Meme stocks personally. But, you know, people in, for example, like, Wallstreetbets would have classified stocks like GameStop and AMC and Blackberry as Meme stocks, for example.

Q. Have you ever looked at any -- sorry. Strike that.

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In January 2021, did you look at SEC filings by GameStop?

A. I don't remember exactly, but probably not.

Q. Okay. So you didn't look at any company financial statements, for example.

A. I don't remember exactly.

Q. You don't recall ever having looked at one of GameStop's financial statements; is that correct?

MR. KIM: Objection to form.

A. At that time, I really don't remember exactly if I did or did not.

Q. Do you recall any company announcements from GameStop in January of 2021?

A. No.

Q. We discussed earlier various analyses and modeling that you have experience doing with respect to specific stocks.

Do you recall that?

A. Yes.

Q. Have you ever modeled GameStop

using any of those analyses?

A. No.

Q. We talked a little bit about a short squeeze in GameStop.

When do you recall first hearing about had that short squeeze?

A. On -- I don't remember exactly, but, you know, it was discussed on, like, Reddit, like, on Wallstreetbets, for example.

Q. Can you explain what exactly is a short squeeze in your understanding?

A. Yeah. So more or less, you know, when people take out a short position on a stock, they're selling that borrowed stock into the market immediately, and, you know, it's essentially debt that they have to repurchase the stock at some point in the future to close out the position, give it back to the lender.

So if, you know, the stock price runs up, they might be paying -- the people with the short positions might be

paying an excess kind of, like, risk premium on that short position, and they might not want to pay that anymore, so to close it out, they have to repurchase the stock at -- you know, on the open market to close out their position, which would further increase the price, as, you know, more stock is being purchased.

Q. And so you mentioned that you heard about that on Reddit, on Wallstreetbets.

What specifically did you hear about a potential short squeeze?

MR. KIM: Objection to form.

Asked and answered.

A. I mean, I think as I mentioned earlier, I don't remember exactly, but, you know, it was being discussed on, like, Wallstreetbets that people thought there could be, you know, a short squeeze.

Q. And I think you mentioned also -- and correct me if this is wrong, but that AMC was also a potential short squeeze that you saw discussed? Is that

correct?

MR. KIM: Objection to form.

A. I don't remember exactly. But yeah. I mean, AMC was also being discussed on platforms like Reddit, Wallstreetbets. So, you know, it's possible that that was also being targeted as, like, a short squeeze stock.

MR. KIM: Carolyn, we're hitting hour two. So maybe we could take a break when you're finished with this line of questioning or whenever -- shortly would be nice.

MS. YOUNG: Yes. Shortly is good. I'll have just a few more questions.

MR. KIM: Sure.

Q. When you say a short squeeze target, what do you mean?

A. I mean just a particular security that, you know, maybe some of the people on Reddit, like Wallstreetbets, were thinking could, you know -- they had high shortage risks; therefore, you know,

they could potential cause a squeeze.

Q. And -- sorry. They could potentially -- oh, yeah. Sorry. Got it.

In terms of other stocks that there were similar discussions about, what about Blackberry? Do you recall any of those discussions on Wallstreetbets in January of 2021?

MR. KIM: Objection to form.

A. Not in particular, but it was, yeah, another, you know, security that was being discussed by people on that sub-Reddit and other sub-Reddits.

Q. And what about Bed Bath & Beyond?

A. Same thing. I don't remember in particular, but it was being discussed.

Q. And Nokia?

A. Same thing.

Q. What about Koss?

A. Same.

Q. And Express?

A. Pretty much all the securities, the relevant securities in this case.

CLARKE - CONFIDENTIAL

Q. All right. So you recall all the relevant securities in this case being discussed on Reddit as a potential short squeeze candidate in January 2021.

MR. KIM: Objection to form.

Q. Is that correct?

A. I mean, I can't recall exactly, but yes.

Q. Okay. Why don't we take a break.

MR. KIM: Sure. Five minutes?

MS. YOUNG: Five minutes works.

MR. KIM: Great.

THE VIDEOGRAPHER: The time is 11:03. We are off the record.

(Recess)

THE VIDEOGRAPHER: The time is 11:14. We are on the record.

BY MS. YOUNG:

Q. Mr. Clarke, I should have asked you this at the begin.

Do you have anything in front of you right now?

A. Yes.

CLARKE - CONFIDENTIAL

Q. What do you have in front of you?

A. Some case documents.

Q. Which case documents?

A. The certification and the amended consolidated complaint.

Q. Are those the only two things you have in front of you?

A. Yes.

Q. Okay. Do you have anything else open on the device that you're taking this deposition on?

A. No.

Q. Do you have your cellphone in front of you?

A. I have my cellphone over here.

Q. If you can just put those -- the case documents as well as your phone away and not refer to them during the deposition.

A. Sure. Okay.

Q. You invested in Tesla stock; is that correct?

A. Yeah. I think I did quite a

while ago.

Q. And so you're familiar with Elon Musk?

A. Yes.

Q. Do you recall Elon Musk's social media posts in January 2021?

A. Not particularly.

Q. Do you generally recall any of his social media posts at that time?

A. Not exactly what he was talking about, but he was posting about what Robinhood did in general.

Q. Okay. So what about related to GameStop? Do you recall any posts about GameStop from Elon Musk?

A. I don't.

Q. Okay. We're going to introduce what will be Exhibit 15.

A. Okay.

(Defendant's Exhibit 15, A CNBC article on Gamestonk Tweet, was hereby marked for identification, as of this date.)

Q. We'll let you know when you can

refresh.

A. Okay.

Q. Okay. Exhibit 15 should be there for you.

A. Okay. I see it.

Q. And I want to refer you to the third bullet here.

Can you read that out for me.

A. "The Tesla CEO tweeted Gamestonk."

Q. All right. Do you recall that tweet?

A. Not particularly.

Q. What do you mean when you say not particularly?

A. I mean, I know that he was tweeting a lot of different things about what was happening at different points throughout this entire process, this saga. But, you know, that tweet in particular I don't explicitly remember, nor any of them.

Q. Were you following his social media during the saga, as you say?

CLARKE - CONFIDENTIAL

A. I -- I don't remember, but I don't believe I was using Twitter at the time, so I don't think so.

Q. Do you recall any discussion on Reddit about Elon Musk's Gamestonk tweet?

MR. KIM: Objection to form.

A. I don't remember exactly.

Q. What do you mean you don't remember exactly?

A. Well, I mean, if I recall, there were people talking about, you know, Elon Musk on Reddit, like, on Wallstreetbets for various reasons, so I don't -- but I don't remember exactly, you know, what they were discussing him -- the reasons for discussing him.

Q. What were they generally discussing?

MR. KIM: Objection to form.

Asked and answered.

A. I don't really remember.

Q. What do you remember about the discussions about Elon Musk's tweets in general?

CLARKE - CONFIDENTIAL

MR. KIM: Objection. Asked and answered.

A. I don't really remember.

Q. So you keep saying you don't really remember. I'm just wondering what is it that you do remember?

A. I mean, I just remember generally that, you know, Elon Musk was tweeting things. You know, I don't -- I can't give you specific examples, but he was tweeting things about, you know, Robinhood after it -- at some point after it, you know, restricted the buying and the securities, you know, and about obviously, like, here, like Gamestonk, as it mentions in this article.

Q. Okay. So you remember -- sorry. I'm just looking at your testimony.

You remember generally that Elon Musk was tweeting things about Gamestonk.

MR. KIM: Objection. Asked and answered.

A. I don't remember that explicitly. I just -- you know, if I

recall, he was tweeting about many different things, kind of just about this whole thing, including as it says here, obviously, Gamestonk.

Q. You testified earlier that you purchased shares of GameStop in January 2021; correct?

A. Yes.

Q. Was that the first time that you had ever purchased shares of GameStop?

A. Yes.

Q. What led you to purchase those shares in January 2021?

A. I just -- I thought it was a good trading opportunity short term.

Q. Why was it a good short-term trading opportunity?

A. Because volume for the stock was accelerating, and generally, it was just getting more and more volatile and, you know, more, you know, widely discussed in the broader, you know, news and on social media.

Q. You can put that exhibit to the

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side.

MS. YOUNG: Vineet, can you introduce Tab 6.

So we'll introduce what will be Exhibit 16. And I'll let you know when you can refresh.

(Defendant's Exhibit 16, Clarke Robinhood account statement, Bates RHMDL00097777, was hereby marked for identification, as of this date.)

Q. Okay. You should see Exhibit 16. Let me know when you have it.

A. Okay. I see it.

Q. Do you recognize this document?

A. Mm-hmm. Yes.

Q. What is it?

A. Well, it's an account summary from my Robinhood account for the month of January 2021.

Q. If we can look at the second page here ending -- on the bottom right, you'll see a Bates number. So the number ending in 778, which is the second page of the PDF. If you could turn to that page.

A. Okay.

Q. So this here indicates -- this is the portfolio summary, securities held in account.

The only security here listed is GameStop; correct?

A. Yes.

Q. And so as of January 31, 2021, your entire portfolio was GameStop; is that correct?

A. Yes.

Q. And all of the -- all of your purchases of these GameStop shares were made in January 2021; is that correct?

A. Yes.

Q. More specifically, all of your purchases in GameStop were made on January 27, 2021; correct?

A. Yes, I believe so.

Q. Okay. Let's turn to the next page ending in 779.

A. Okay.

Q. This page starts with some crypto money movement entries.

Can you tell me what those are?

A. To be honest, I don't remember exactly. It -- I think what it might have been was I bought crypto, and I think Robinhood uses, like, some third party to, like, transact those, you know, transactions for, like, crypto. And I think it's called, like, Apex Clearing or something like that. So it might be related to that.

Q. After those entries, it goes on to include several rows that refer to various stocks, as you can see here, starting with RMBS, Vale, Twitter, Apple. And for these, the transaction column indicates "STC."

What do you understand that to mean?

A. I don't know for sure, but maybe sold to close?

Q. And so are these transactions where you're selling your options contracts?

A. Yes, as they're credits.

Q. At this time, did you sell all of your options in January of 2021?

A. I don't know for sure, but, I mean, it appears yes.

Q. Why did you decide to sell -- excuse me.

Looking here at the date, it looks like you started to sell on January 25th, and it goes through January 27th.

Do you see that?

A. Yes.

Q. Okay. Why did you decide to sell all of your options on January 25th through 27th?

A. I don't recall exactly, but more or less just to, you know, have capital.

Q. To have capital to invest in GameStop? Is that correct?

A. At the time, I don't know for sure. But possibly, yes.

Q. And at the bottom of that page and continuing on to the following are your purchases of GameStop on

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January 27th.

Do you see that?

A. Yes.

Q. That was the only stock that you purchased on January 27, 2021; is that correct?

A. Yeah. It appears so.

Q. Were there any other stocks that you were considering purchasing on that day?

MR. KIM: Objection to form.

Asked and answered.

A. I don't remember.

Q. All right. You don't recall considering any other investment on January 27, 2021, other than GameStop.

MR. KIM: Objection to form.

Asked and answered.

A. Correct. I don't -- I don't remember.

Q. Do you recall anything that occurred on Robinhood's platform at this time?

A. Which time specifically?

Q. January 28th, let's say, 2021.
A. Yes.
Q. What's that?
A. January 28, 2021, is when Robinhood initially restricted the buying of the relevant securities, including GameStop in this case.
Q. Okay. Which are the stocks that you recalled being restricted on January 28, 2021?
A. I can't recall exactly which stocks were restricted on the 28th. But GameStop was one.
Q. When did you first hear about those restrictions?
A. I can't recall exactly, but probably on the 28th.
Q. And how did you hear about the restrictions?
A. I can't recall exactly, but probably just through the news and on Reddit.
Q. And on the news and on Reddit, what specifically did you hear about

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Robinhood's restrictions on January 28th?

A. I can't recall exactly what I read.

Q. Did you hear that Robinhood was restricting purchases of certain securities on its platform?

A. Again, I can't recall exactly, but something to that effect.

MS. YOUNG: Vineet, can you introduce Tab 2.

You can put that exhibit away. We're going to introduce what will be Exhibit 17.

Oh, I'm sorry. It's going to be previously introduced Exhibit 6 from a prior deposition here.

THE WITNESS: Okay.

(Defendant's Exhibit 6, A Robinhood article dated January 28, 2021, was previously marked for identification.)

Q. Okay. You can refresh.

A. Okay. I have it open.

Q. Okay. Sorry. I don't. My

CLARKE - CONFIDENTIAL

system is being incredibly slow.

Okay. Do you recognize this document?

A. Not in particular.

Q. Have you reviewed this document before?

A. I am not 100 percent sure.

Q. Okay. What percentage sure are you?

MR. KIM: Objection to form. Calls for speculation.

A. Yeah. I don't want to speculate.

Q. You don't want to speculate how sure you personally are that you've seen this document?

MR. KIM: Objection to form. I think the question itself is speculative.

Q. The question is have you seen this document? You say you're not 100 percent sure. But you think that you may have? Is that what you're trying to say?

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MR. KIM: Objection to form.

A. It's possible I saw it.

Q. Do you believe --

A. I'm not sure.

Q. Where would you have seen this document, given that you think that you may have seen it?

MR. KIM: Objection to form.

A. Again, I don't -- I don't know for sure. But, you know, if I -- if I would have seen it, it would have either been on the Robinhood website, an email I received from Robinhood, probably one of those two things, although I can't be sure 100 percent.

Q. On January 28th, did you visit Robinhood's website?

A. I don't -- I don't know for sure.

Q. Do you recall ever having visited Robinhood's website to view any news about the restrictions?

A. To view news about the restrictions? Possibly. I can't be

100 percent sure if it was on their website or, you know, through email or if it was through someone else's, you know, screen shot of the content of the article or what have you.

Q. Oh, okay. Understood.

So you do recall viewing information from Robinhood about the restrictions on January 28th, but you don't recall if it was on their website, in your email, or just on a screen shot or through the news.

Is that accurate?

A. Yes.

Q. Okay. If you can scroll to the second page of this document.

A. Okay.

Q. And the second paragraph here that starts with "We continuously monitor."

Do you see that?

A. Yes.

Q. So this paragraph says, "We're restricting transactions for certain

securities to position closing only," and then it lists certain securities.

A. Yes, I see it.

Q. Do you know what "position closing only" means?

A. Yes. In this context, it means there is a restriction on purchasing the securities listed, and you can only sell them, basically.

Q. So you recalled that on January 28th, Robinhood restricted purchasing of GameStop. Is that accurate?

A. Again, I don't know for sure, but I probably did hear that on the 28th, probably.

Q. What about after the 28th? Do you recall whether any stocks were set to position closing only after that day?

A. I can't remember for sure.

Q. Do you remember generally? And I don't mean to keep harping on this. But you say, "Not 100 percent. Not for sure." I just want to -- all we're -- I understand this was years ago, so all I'm

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asking is what you do remember.

A. I -- I don't remember.

Q. Okay. You can put that exhibit away.

MS. YOUNG: Vineet, can you do Exhibit 27. Tab 27. Excuse me.

So now we'll introduce what will be Exhibit 17.

THE WITNESS: Okay.

(Defendant's Exhibit 17, An email dated January 29, 2021, was hereby marked for identification, as of this date.)

Q. Okay. You can refresh. Exhibit 17 should be there. Let me know when you have it open.

A. Okay. I have it open.

Q. Do you recognize this document?

A. I mean, yeah. It's -- I received it apparently. I don't explicitly remember it, but --

Q. Okay. And when you say you received it, so [redacted], is that your

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email?

A. Yes.

Q. Okay. And you received this on January 29, 2021?

A. Yes.

MR. KIM: Objection to form.

Q. So if you can turn to the second page of this document ending in 764.

A. Okay.

Q. You see the text titled social fueled stock surges mean uncharted territory for the modern market?

A. Yes.

Q. And below that, in the second full paragraph, it says, "And then, yesterday happened."

Do you see that?

A. I'm sorry. Can you repeat that "And then, yesterday happened"?

Q. Yeah. So there's a first paragraph there, and then there's two bullets. And then below that, there's a paragraph that starts with "And then, yesterday happened."

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Do you see that?

A. Yes.

Q. Okay. So this email notes that brokerages, including Robinhood, E-Trade, and Webull restricted trading activity in certain securities.

Do you see that?

A. Yes.

MR. KIM: Well, that's not what it says. I mean, I don't think you quoted it correctly. I mean --

MS. YOUNG: Some brokerages --

MR. KIM: I mean, were you trying to read it or were you summarizing it? It wasn't clear. I just want to have a clear record.

Q. Sure. Why don't I just read the text. "Some brokerages, including Robinhood, E-Trade, and Webull, temporarily restricted certain trading activity in symbols like GME."

Do you see that?

A. Yes.

Q. Okay. Did I read that

accurately?

A. Yes.

Q. Do you remember receiving this email?

MR. KIM: Objection to form. Asked and answered.

A. Yeah. As I mentioned before, I don't explicitly remember this email, but, I mean, apparently, I received it.

Q. Okay. You receive these Robinhood Snacks emails on a regular basis; is that correct?

A. Yes.

Q. Okay. Okay. You can put that exhibit to the side.

A. Okay.

Q. So we've largely been discussing January 28th.

Can you describe for me what you knew after that date about Robinhood's restrictions on trading.

A. On which day?

Q. Any dates after January 28th. So that email was from January 29th.

CLARKE - CONFIDENTIAL

If you could give me your understanding if you recall that day and then the following days as well.

MR. KIM: Objection to form.

A. What I heard about what Robinhood did?

Q. Yes.

A. I -- I'm sure I -- I saw, like, other, you know, news posts about what they did after the 28th.

Q. Do you recall the contents of those news posts?

A. No.

Q. Okay. So your understanding today of Robinhood's restrictions is that they restricted purchasing of certain securities on January 28th.

Is there anything else that you understand Robinhood did?

MR. KIM: Objection to form.

A. I don't remember exactly. But they also limited the number of purchases of certain securities between, you know, post-January 28th. I don't have the exact

days, but yeah, other things too.

Q. Okay. What are the other things?

A. For example, like, they closed some options positions early for GameStop and possibly other stocks.

Q. Did you have any options positions in GameStop that were closed early?

A. No.

Q. And the understanding post-January 28th that you just mentioned to me, would you again have learned about that through news articles and social media, as you did for the restrictions on the 28th?

MR. KIM: Objection to form.

A. I don't know for sure, but probably.

Q. This is the time period that you indicated previously that you were checking Wallstreetbets, you know, at least a dozen times a day; is that correct?

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MR. KIM: Objection to form.

A. I -- I don't -- I think so. I don't really know for sure. But I was checking it frequently in this -- at this time.

Q. Okay. So we'll turn to your trading now in February of 2021.

(Defendant's Exhibit 18, Clarke Robinhood account statement, Bates RHMDL00097897, was hereby marked for identification, as of this date.)

Q. I'm going to introduce what will be Exhibit 18.

A. Okay.

Q. Okay. You can refresh, and Exhibit 18 should be there. Let me know when you have that.

A. Okay. I have it.

Q. Do you recognize this document?

A. Yes.

Q. What is it?

A. A brokerage summary from the month of February 2021.

Q. If you can turn to the page

ending 899, that is the third page here.

A. Okay.

Q. Do you see the three lines that say "GME" and in the -- sorry. Excuse me -- say "GME" in the symbol column and the in the transaction column say "sell"?

A. Yes.

Q. And the date of those transactions is February 2, 2021; is that correct?

A. Yes.

Q. Is it correct that you sold all of your GME shares on February 2, 2021?

A. Yes.

Q. Okay. Why did you sell your entire position in GameStop on that day?

A. Because I no longer had confidence that the price would go up from there.

Q. Do you recall on February 7th whether Robinhood had any purchasing restrictions in place for GameStop?

A. I don't remember explicitly.

Q. Okay. So sorry. Just to

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clarify. It's not just that you don't remember the specifics, but you don't recall either way if there were purchasing restrictions in place; is that correct?

A. Yeah. I can't remember if -- either way. I think there were restrictions up until February 4th, but as for, like, the specific details, I can't remember.

Q. So you don't recall, for example, if the position limit was higher than what the amount of GME shares that you owned was. Is that accurate?

MR. KIM: Objection to form.

A. Yes. I don't remember, you know, specific dates, what the restriction -- what the limit was for certain securities on X date. I don't really remember any of those details.

Q. Do you recall knowing those details at the time?

A. I can't remember.

Q. Aside from your awareness of the fact of the purchasing restrictions, do

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you recall hearing anything about the reason that Robinhood had implemented purchasing restrictions at the time you made these sales?

A. I can't remember exactly if there was a reason when I sold.

Q. So you don't recall hearing anything about the reason Robinhood implemented restrictions when you made those sales. Is that accurate?

A. Correct.

MR. KIM: Objection. Form.

Q. Okay. We can put this exhibit to the side.

MS. YOUNG: So I'm going to introduce what will be Exhibit 19.

(Defendant's Exhibit 19, Clarke Order Data File, Bates RHMDL00097966, was hereby marked for identification, as of this date.)

Q. Okay. You can refresh. It should be there.

A. Okay. Okay.

Q. So this is a chart -- and I can

represent to you that this portrays the same trading information that we just went over in your account statements. But it also shows all of your orders and not just the trades that were -- that were executed from your account.

So the first column of this spreadsheet, this is your Robinhood account number.

Do you see that?

A. Where exactly?

Q. The first column.

A. Oh, right. Yes.

Q. Okay. Okay. And in the first several rows here, we see your orders to buy GameStop on January 27th.

Do you see that?

A. Yes.

Q. And then in the bottom three rows, we see your sales on February 2nd.

Do you see that?

A. Yes.

Q. Okay. But we also see here -- and this is four rows up from the

bottom -- that on February 1st, you created a limit sell order for six shares of GameStop.

Do you see that?

A. Yes.

Q. And that was at a price of $69,420.

Do you see that?

A. Yes.

Q. Okay. Why are you smiling?

A. Just because that was kind of a joke.

Q. Okay. Can you tell me about that?

A. It was just -- it's kind of just a joke number. I don't know exactly why I did that.

Q. When you say it's a joke number, was it something that you saw -- like, is it a joke on Reddit that you saw? Is that what you mean?

MR. KIM: Objection to form.

A. I don't remember exactly. But it probably was.

CLARKE - CONFIDENTIAL

Q. Okay. And so can you tell me what is a limit order?

A. Yeah. It's when you -- when you set a predetermined price to either buy or sell X, Y, Z security, and the order automatically executes once it -- the price of the security goes above or below that number.

Q. So when you put this order in place, you know, you didn't believe that GameStop would reach that price. Is that accurate?

A. I don't know.

Q. All right. But when you said it was a joke order, you didn't put this in place thinking that this order would be executed. Is that accurate?

MR. KIM: Objection to form.

A. Again, I don't -- I don't know exactly.

Q. You don't know what you were thinking at the time?

A. Correct.

Q. Okay. Do you recall placing

this order?

A. No.

Q. All right. So you have no memory of placing this limit order whatsoever on February 1st.

MR. KIM: Objection to form. Asked and answered.

A. Genuinely, no.

Q. What led you to say that it was a joke number?

MR. KIM: Objection to form. Asked and answered. I think he already talked about this.

A. It's just -- you know, it's -- it was a number that was, you know, probably discussed on Reddit.

Q. Do you have any recollection of posting this order anywhere?

A. Such as?

Q. Any social media forums?

A. No.

Q. Okay. Do you have any recollection of texting anybody or emailing anybody about this order?

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A. No.

Q. All right. You can put that to the side.

(Defendant's Exhibit 20, A Reddit post, was hereby marked for identification, as of this date.)

Q. Okay. You can refresh. And we'll introduce what will be Exhibit 20.

A. Okay. Okay.

Q. Okay. Do you recognize this page?

A. Not particularly.

Q. Okay. If you scroll to the second page, do see on the right where it says "Wallstreetbets"?

A. Yes.

Q. Okay. So is it your understanding this is sub-Reddit Wallstreetbets post on that page?

A. Yes.

Q. Okay. And so this person is posting here, "If the price per share of GME hit 69,420, that's a total value" --

MR. KIM: I'm sorry. What page

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are we on? Sorry. On the first page or second page?

MS. YOUNG: The post starts on the first page. It goes to the second page. So the post --

MR. KIM: We're on the first page. Got it.

MS. YOUNG: The post -- so the post beginning with 69,420 begins on the first page there. Do you see that?

MR. KIM: Okay. Is that the "We're living in a simulation" one?

MS. YOUNG: Yes, correct.

MR. KIM: Okay. All right.

BY MS. YOUNG:

Q. And so this person says, "If the price per share hits 69,420, that's a total value of 3,255,103,800,000, roughly all hedge funds assets as of 2019/2020."

And then at the bottom here, it says -- on top of the second page, it says "TLDR," and then there are several rocket ship Emojis.

Do you see that?

A. Yes.

Q. Okay. What do the rocket ship Emojis mean?

MR. KIM: Objection to form.

A. I mean, I don't know for sure, but essentially just that the stock price will go up I think is what it means.

Q. Okay. Are you familiar with the phrase "to the moon"?

A. Yes.

Q. Are you familiar with that phrase from Wallstreetbets?

A. Not particularly.

Q. Okay. What does that mean to you?

A. Just, like, either doing something exceptionally well or I guess the stock price moving very -- to a very high number.

Q. Okay. And so this is the same dollar amount that you placed your limit order for; correct?

A. Yes.

CLARKE - CONFIDENTIAL

Q. Okay. And so do you recall seeing any posts, including this one or others, about placing an order for GameStop at $69,420?

MR. KIM: Objection to form. Asked and answered.

A. Not particularly.

Q. What do you mean?

A. I mean I don't really even remember doing that, nor do I remember seeing this article. So this --

Q. Okay. So when you said it was -- when you saw it on your order data and indicated it was a joke order, what is the joke?

MR. KIM: Objection to form. Asked and answered.

A. It's I guess just a Reddit joke. I don't really know.

Q. So, like, what is -- what is funny about placing that limit order, I guess?

MR. KIM: Objection to form. Asked and answered.

CLARKE - CONFIDENTIAL

A. I -- I don't really know. At the time, I don't really remember why I did it even.

Q. Okay. But when you say it's a Reddit joke, you mean that people on Reddit were making jokes about placing orders for that amount? Is that correct?

MR. KIM: Objection to form. That's not what he said.

A. I mean, I don't -- I don't know for sure. Some people. I mean, it's certainly a number in this Reddit post.

Q. Okay. You can put that exhibit to the side.

(Defendant's Exhibit 21, A Reddit post, was hereby marked for identification, as of this date.)

Q. Okay. You can refresh, and I'm going to introduce Exhibit 21.

A. Okay.

Q. Do you see that?

A. Yes.

Q. Okay. And is this another post from Wallstreetbets?

A. Yes.

Q. Okay. And you see this one is titled "Don't sell until 69,420"?

A. Yes.

Q. There are several comments on this post, if you scroll down, several Harambe posts.

If I can direct to you the fifth page here. The top comment here is "Diamond hands until 69,420."

Do you see that?

A. Yes.

Q. Are you familiar with that term, "diamond hands"?

A. Yes.

Q. What does it mean?

A. To my knowledge, essentially it just means holding a security for as long as possible no matter what.

Q. Was that a term that was used related to GME at this time on Reddit, do you recall?

MR. KIM: Objection to form.

A. I don't know for sure, but

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probably.

Q. Why do you say probably?

A. Because it was a widely used term on Reddit, like, Wallstreetbets, so, I mean, I'm sure people were posting about GameStop and about diamond hands.

Q. What are the contexts that you saw it being widely used in?

A. I mean, at the time, I don't really remember for sure. But, I mean, essentially just that people were going to keep holding the stock, some people, no matter what.

Q. And why would people keep holding the stock no matter what?

MR. KIM: Objection to form. Calls for speculation.

Q. Sorry. Let me rephrase that.

What did you see on Reddit people were indicating why they were holding the stock no matter what?

MR. KIM: Objection to form.

A. I mean, I don't know for sure. You know, people were holding the stock

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for different reasons.

Q. What are some of the reasons that you recall seeing?

A. I mean, like I think I mentioned earlier, some people, you know, owned the stock because they liked the company. Other people held the stock because they were, you know, hoping for a short squeeze. Yeah.

Q. Okay. So you testified that this -- the limit order that you placed for this amount, 69,420, was a joke order.

Have you placed any other joke orders?

MR. KIM: Objection to form.

A. I don't remember.

Q. You don't remember having ever placed another order as a joke; is that correct?

A. Correct.

MR. KIM: Objection to form.

MS. YOUNG: All right. I think it would be a good time for a break, if that works. Can we do ten minutes

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this time?

MR. KIM: Yeah. Sure.

THE VIDEOGRAPHER: The time is 12:05. We are off the record.

(Recess)

THE VIDEOGRAPHER: The time is 12:20. We are on the record.

BY MS. YOUNG:

Q. Mr. Clarke, you explained earlier in this deposition how a short squeeze works.

Do you recall that?

A. Yes.

Q. Okay. What is your understanding of how a short squeeze ends?

A. Well, in theory, once the short interest is eliminated.

Q. Since January 2021, when you purchased shares of GameStop, had you ever purchased shares of GameStop again?

A. I don't think so, no.

Q. Have you ever considered an investment in GameStop since January 2021?

A. No, I don't think so.

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Q. Okay. Why is that?

A. Because I didn't think it was a good opportunity after that.

Q. Why is that?

A. Because I wasn't -- I didn't purchase the stock originally because I thought the fundamentals of the company were sound, but rather just as a trade, and I haven't found any other reason to trade after -- trade that stock after I sold in January 2021 or February 2021.

Q. What is your role in this lawsuit?

A. To act as a potential class representative and act as a fiduciary to the rest of the class to try and get the best settlement outcome.

Q. What is your understanding of a class action?

A. So it's essentially a suit where many people have been damaged in the same way or very similar -- very similar way, so instead of having multiple individual suits, you have just one class action

suit.

Q. So what are your responsibilities in this role as a potential class representative?

A. To essentially help ensure that the case moves forward and do what's best for the rest of the class.

Q. What is the class that you are hoping to represent?

A. Essentially any person that held shares of the relevant securities in this case after but before market close on January 27th and sold at any point through the periods of January 28th and February 4th.

Q. When did you first hear about this lawsuit?

A. I don't remember exactly, but shortly after all of this unfolded.

Q. Do you have an approximate timeline? When you say "shortly after," what does that mean?

A. Sometime in 2021.

Q. Okay. Before the summer of

2021, would you say?
A. I can't remember exactly.
Q. So you don't remember when it was between February 2021 and December 2021? Is that accurate?
A. Yes.
Q. Okay. How did you hear about the lawsuit?
A. I don't remember exactly. Possibly through the news. Yeah.
Q. And what did you hear about the lawsuit at that time?
A. Just that there were -- that something was trying to be put together to -- by the Rosen Law Firm to try and claim damages for investors.
Q. And did you reach out to the Rosen Law Firm?
A. Yes.
Q. Do you recall when you reached out to the Rosen firm?
A. Not exactly.
Q. Was it in 2021?
A. Yes.

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Q. Have you ever tried to become a class representative in any other actions?

A. No.

Q. Why did you want to be involved in this lawsuit?

A. To essentially, you know, make sure that Robinhood is held liable for the damages that they caused a great deal of individual investors and make sure that they're held accountable for their choices in this case.

Q. Are you suing any other brokers for restrictions that were put in place at that time?

A. No.

Q. Why not?

A. Because of the --

MR. KIM: Objection. Objection to form. But you can answer the question.

A. I wasn't using any other brokerages or trading the relevant securities in this case with any other brokerage.

Q. Other than our time together today, how much time have you spent on things related to this lawsuit?

A. I can't be 100 percent sure, but between meetings, you know, searching for documents, the preparation for this deposition, a number of hours, probably over a dozen hours perhaps.

Q. Have you read the complaint that you previously had in front of you?

A. Yes.

Q. Have you read any other case filings?

A. Yes.

Q. What filings?

A. The certification, the initial complaint, the amended consolidated complaint, and the response to the motion to dismiss the case.

Q. You reviewed that before it was filed?

A. Yes.

Q. Of the approximately dozen hours you've spent on this case, I think you've

told me four were meetings to prepare for this deposition; is that correct?

A. Approximately, yeah.

Q. Okay. Can you give me an approximate breakdown of the other eight hours?

A. Yeah. We've had updates periodically on how the case is going, you know, so with the team at Rosen Law and the rest of the proposed class representatives, and then just, you know, searching for providing documents to my -- our legal counsel, and then -- yeah.

Q. Okay. And how many of the eight hours were spent searching for and providing documents to your counsel?

A. I can't say for sure. But throughout the entire process, at least maybe a couple of hours.

Q. Okay. And so you're aware that the defendants in this action served a request for documents from you; correct?

A. Yes.

Q. Have you seen those document

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requests?

A. Could you specify which requests?

Q. Have you seen a document laying out requests from Robinhood for documents from you?

A. I can't remember.

Q. Okay. Well, what document have you seen related to Robinhood's document requests to you?

A. I can't remember exactly.

Q. Have you seen a document related to Robinhood's document requests served on you?

MR. KIM: Objection to form. He said he can't remember. So --

Q. Yes. So the question is have you seen any document laying out Robinhood's document requests?

A. I can't remember exactly.

Q. You can't remember if you've seen one. Not exactly. Have you -- like, you have no memory of seeing document requests; is that correct?

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MR. KIM: Objection to form.

A. I'm not sure. I would need more details on the request.

Q. Do you have a memory of seeing a document that has requests to you for documents related to this lawsuit?

MR. KIM: Objection to form.

A. I -- I can't remember.

Q. Okay. You indicated you needed more details. Is that because you have seen some documents that relate to Robinhood's document requests?

A. Yes.

Q. Okay. What are the documents you've seen that relate to Robinhood's document requests?

A. I can't remember exactly.

Q. Do you remember generally?

A. Requests to see, you know, like, social media and brokerage statements.

Q. Okay. So yeah. It's totally fine if you don't remember all of the document requests.

I guess my question is a little

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different, which is did you receive Robinhood's document requests that were served on you?

MR. KIM: Objection to form. Asked and answered.

A. I -- I -- I'm not -- I can't remember 100 percent. But I provided everything to -- that was requested to Rosen Law.

Q. Was it requested by email?

A. Yes.

Q. Okay. So your counsel emailed you with what documents you should send them; is that correct?

A. Yes.

Q. Okay. When you were first informed that Robinhood had served document requests on you?

A. I can't remember.

Q. Approximately.

A. I can't remember.

Q. When you learned of the document requests, did you search for potentially relevant documents?

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A. Yes.

Q. When was that?

A. Well, it was across multiple periods, if I remember correctly, and I don't know exactly when.

Q. Okay. Approximately. Because this is not, you know, years and years ago.

So approximately when did you search for documents?

MR. KIM: Objection to form. Asked and answered.

A. Again, I don't -- I don't know exactly, but obviously after February 4, 2021.

Q. Did you search for documents within the last year?

A. 2022, yes.

Q. Okay. Other than just that you searched in 2022, you have no other recollection of when you performed any searches for any documents related to this case. Is that accurate?

MR. KIM: Objection to form.

A. Yes.

Q. Did you search in your home for potentially relevant hard copy documents?

A. Yes. I searched everywhere that I thought was relevant. And I wouldn't have kept hard copy documents.

Q. Do you have a personal computer, laptop?

A. Yes.

Q. Did you search for electronic files stored on that computer?

A. Yes.

Q. How did you run that search?

A. By searching at any file path where I thought maybe I would have saved anything on the computer.

Q. So you went to specific file paths and looked through all the documents in those file paths? Is that correct?

A. Yes.

Q. You didn't use search terms; is that correct?

A. I can't remember exactly, but I -- to my knowledge, I didn't save

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anything on my computer.

Q. Okay. But you don't recall running search terms is my question on your laptop.

A. I can't recall if I did or not.

Q. Do you have a work laptop or computer that's separate from your personal?

A. Yes.

Q. Okay. Did you go through files stored on your computer at work?

A. There would have been nothing relevant on my work computer.

Q. Okay. So did you go through the files stored on your work computer?

MR. KIM: Objection to form. Asked and answered.

A. No, because there was nothing relevant on that device.

Q. Do you have a personal email account?

A. Yes.

Q. Did you search -- do you have more than one personal email account?

A. Yes. I've used other emails in the past, but I only really have one, which I may -- I don't know if I -- still active or not, but I currently only use one email address, and I have been using that email address for a long time.

Q. So during the relevant time period for this action, you were only using one email address; is that right?

A. Yes.

Q. Is that the Yahoo email that we reviewed earlier?

A. Yes.

Q. Did you search your email account for documents that Robinhood requested from you?

A. Yes.

Q. How did you search?

A. By phrases, search phrases.

Q. What were all the search phrases that you used?

A. I can't remember exactly.

Q. Do you recall any of them?

A. Not particularly.

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Q. Okay. When you say not particularly, you don't recall a single term that you used. Is that accurate?

MR. KIM: Objection to form.

A. That's correct.

Q. Okay. And so when you said search phrases, you don't know if these were phrases, meaning multiple words or single word search terms; correct?

A. Yes.

Q. How did you develop your list of search phrases?

A. By just kind of common sense, searching for anything that could be relevant.

Q. And what do you understand could be relevant?

A. Anything relating to what was being asked of me to produce.

Q. Okay. And what was being asked of you to produce?

A. Well, it depends on what was being asked of me. But, you know, anything relating to social media posts,

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for example, or any sort of statements.

Q. So you searched your email for social media posts and account statements? Is that correct?

MR. KIM: Objection it form.

A. Not -- I searched my email for anything I thought was relevant to what was being asked. But I can't recall exactly.

Q. Okay. Understood.

And the things that you recall being asked for are social media posts and account statements.

A. Correct.

MR. KIM: Objection to form.

Q. Okay. Have you ever communicated in writing with anyone regarding GME securities?

A. No.

Q. You've never sent an email related to your investment in GME?

MR. KIM: Other than counsel; right? I mean --

Q. We're not talking about

privileged materials. Correct.

A. No in that case.

Q. Okay. What about this lawsuit? Other than your counsel, have you written to anybody about this lawsuit?

A. Other than counsel, not to any of the other proposed class representatives or class members.

Q. Okay. Who have you communicated with about this lawsuit outside of those people that you just listed?

A. Just the Rosen legal team.

Q. Okay. So then you've only spoken to the Rosen legal team about this lawsuit. Is that accurate?

A. Correct.

MR. KIM: Objection to form.

Q. You've not spoken to any friends about this lawsuit?

A. No.

Q. You have a cellphone; is that correct?

A. Yes.

Q. Did you search your text

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messages for documents related to this lawsuit?

A. I can't remember for sure.

Q. Okay. You do not recall searching your text messages for documents related to this lawsuit; is that correct?

MR. KIM: Objection to form.

A. Yes. I can't remember one way or the other if I did or did not.

Q. Did you search other messaging platforms, like WhatsApp, for documents related to this lawsuit?

MR. KIM: Objection to form.

Lack of foundation.

A. I never used WhatsApp, so --

Q. Yeah. Sorry. So that was an example.

So what messaging platforms do you use other than text?

A. Just -- can you give me more examples of potential --

Q. Sure. Do you use Facebook Messaging?

A. No.

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Q. Okay. Do you -- I guess are there any other messaging apps, for example, that you have on your phone other than just using text, like, where you're communicating with another human being?

A. Through text.

Q. Only -- I'm sorry. Can you clarify?

A. Where I'm communicating with another human being through text.

Q. Oh, correct, not through voice. Yes.

A. So, I mean, in that case, iMessage, Snapchat, and Reddit. And all three, no.

Q. Sorry. All three no -- what was the "no" in response to?

A. I did not discuss anything with anyone regarding this case.

Q. Okay. Did you search your iMessage for anything related to this case?

A. I can't remember exactly. But there was nothing relevant that I would

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have sent through iMessage regardless.

Q. Do you recall searching your text messages for messages about GameStop specifically?

A. I can't remember for sure, but there was nothing about GameStop that I would have sent to anyone through text.

Q. Sure. So you don't recall searching your text messages for GameStop; is that correct?

MR. KIM: Objection to form. Asked and answered.

A. I can't recall one way or the other.

Q. Okay. So these searches were done, you know -- I'll represent to you we served our document requests I believe in November. So this is recent history.

I'm just asking if you --

MR. KIM: This isn't a memory test; right? So stop badgering the witness. He's answered the questions. Why don't we move on.

MS. YOUNG: Yeah.

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Unfortunately, Phil, we asked you for this information, and you told us to ask the witnesses. So we have to get it this way or we're not going to be able to get the information that we need about what searches were done.

Q. Did you run any search terms on your social media private messages for documents related to GameStop -- for communications related to GameStop? Excuse me.

A. Sorry. Can you repeat that?

Q. Sure. Did you run any search terms on your social media private messages, so DMs, for communications related to GameStop?

A. Well, the only --

Q. It's just a yes or no.

MR. KIM: Why don't you let him answer the question.

A. The only --

MR. KIM: Let him answer the question. Sorry. I didn't want to cut you off.

Q. You can answer the question.

A. The only place where I possibly would have had information relating to this case or GameStop, would have sent to anyone a private message about it, would have been Reddit. And I searched all of my private messages on Reddit, and there was nothing relating to this case.

Q. Okay. What terms did you use to search on Reddit?

A. Well, I didn't have many private conversations. So I just looked at every one that I ever had, and there was nothing relating to this case.

Q. You looked at every private message you've ever had on Reddit? Is that accurate?

A. Correct.

MS. YOUNG: I think I'm close to finished. Could we just take a five-minute break and then come back on the record just in case I have any wrap-ups?

MR. KIM: Sure.

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THE VIDEOGRAPHER: The time is 12:49. We are off the record.

(Recess)

THE VIDEOGRAPHER: The time is 12:58. We are on the record.

BY MS. YOUNG:

Q. Just have a couple of final questions for you here.

Did you take any actions to preserve documents that relate to the events that you're alleging in this lawsuit?

A. Yes. I kept all relevant documents.

Q. What do you mean by that?

A. Well, I didn't delete anything relevant to the case.

Q. Did you turn off any auto-deletion that you might have, for example, on your phone, in your email?

A. I don't -- I don't remember.

Q. Does your -- did you get a new phone any time between December 2020 and now?

A. Yes.

Q. Okay. Do you still have your old phone?

A. No.

Q. What happened to your old phone?

A. I gave it back to the -- my -- our provider to get a discount on my new phone.

Q. When did you get a new phone?

A. Maybe either October or November of 2021.

Q. Have you gotten a new personal computer since December 2020?

A. Yes.

Q. Do you still have your old computer?

A. Yes.

Q. Did you search the old computer for files related to this lawsuit?

A. Yes.

Q. You searched your old one and your current existing computer?

A. Well, my new computer, I received it December of 2022 or

January 2023.

Q. Okay. So you didn't look on that computer for any responsive documents; is that correct?

A. Correct. There wouldn't have been anything on it.

Q. Did you take any other steps to preserve documents, for example, taking a screen shot of a post that might be deleted?

MR. KIM: Objection to form.

A. I -- I saved any -- I didn't delete any documents in this case. I provided everything.

Q. Right. Sorry.

So did you take any other preservation steps to make sure that documents were not destroyed that related to this lawsuit?

MR. KIM: Objection to form.

A. I preserved everything, and then I didn't delete anything relevant to this case.

Q. Okay. So you didn't take any

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additional steps to preserve documents; is that correct?

MR. KIM: Objection to form. Asked and answered.

A. Yes. I --

Q. Okay.

MS. YOUNG: Okay. I have no further questions. I do just want to make a note for the record. We learned today that, in addition to the social media handles that were disclosed to us, Mr. Clarke also has a Twitter account that was not disclosed as well as a Discord account and a Snapchat account. We also learned very recently through our own research and confirmed on the record today that Mr. Clarke's Reddit handle was incorrectly disclosed to us.

Accordingly, and so that we can have time to review those accounts, we're going to ask that this deposition remain open at this time and that counsel please follow up with

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an amended version of the February 27th disclosure with the social media handles.

MR. KIM: We'll take those requests under advisement. I don't have any questions.

THE VIDEOGRAPHER: Okay, Counsel. If there are no further questions, any stipulations in addition that you want to put on this transcript?

MR. KIM: The only other thing I'd note that this transcript is going to be marked Confidential pursuant to the procedures set forth in the protective order in the case. So we'll follow those procedures in treating these things as confidential.

THE VIDEOGRAPHER: Okay. Thank you, Counsel.

Here ends Media Unit No. 3. This concludes the video recorded virtual remote deposition of Brendan Clarke taken by the defendant

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on Friday, March 24, 2023. The time is 1:03 p.m. Central Daylight Time, and we are going off the record.

(TIME NOTED: 1:03 p.m.)

_____

BRENDAN CLARKE

_____

Subscribed and sworn to before me this _____ day of _____, 2023.

_____

Notary Public