



IN THE COURT OF CHANCERY OF THE STATE OF DELAWARE

MEENAKSHI SARDA and KRISTINE
BREWITZ, derivatively on behalf of
COINBASE, INC.,

Plaintiffs,

v.

MARC ANDREESSEN, BRIAN
ARMSTRONG, SUROJIT
CHATTERJEE, EMILIE CHOI,
FREDERICK ERNEST EHRSAM, III,
PAUL GREWAL, ALESIA J. HAAS,
KATHRYN HAUN, JENNIFER
JONES, KELLY A. KRAMER,
TOBIAS LÜTKE, GOKUL
RAJARAM, and FRED WILSON,

Defendants,

and

COINBASE, INC.,

Nominal Defendant.

C.A. No. **2025-0832-KSJM**

PUBLIC VERSION

Filed on July 22, 2025

VERIFIED SHAREHOLDER DERIVATIVE COMPLAINT

Plaintiffs Meenakshi Sarda (“Sarda”) and Kristine Brewitz (“Brewitz” together, “Plaintiffs”), by and through their counsel, derivatively on behalf of Nominal Defendant Coinbase, Inc. (“Coinbase” or the “Company”), submit this Verified Shareholder Derivative Complaint (the “Complaint”) against the Individual Defendants (as defined below) seeking to remedy their breaches of fiduciary duties

and other violations of law between April 14, 2021 and June 5, 2023, (the “Relevant Period”). Plaintiffs make these allegations upon personal knowledge as to those allegations concerning Plaintiffs and, as to all other matters, upon information and belief based on the investigation of undersigned counsel, which includes, without limitation, review of: (i) regulatory filings made by Coinbase with the United States Securities and Exchange Commission (“SEC”); (ii) press releases issued and disseminated by Coinbase; (iii) filings in a securities class action against certain officers and members of the Company’s Board of Directors (the “Board”) captioned, *In re Coinbase Global, Inc. Securities Litigation*, Case No. 2:22-cv-04915-BRM-LDW (D.N.J. Aug. 4, 2022) (the “Securities Class Action”); (iv) books and records produced to Plaintiffs pursuant to 8 *Del. C.* § 220 (“Section 220”); and (v) other publicly available information, including media and analyst reports, concerning Coinbase.

NATURE OF THE ACTION

1. This is a shareholder derivative action asserted on behalf of Nominal Defendant Coinbase against certain officers and the members of the Company’s Board for breaches of fiduciary duties and other violations of law to recover damages caused to the Company as described below.

2. Coinbase claims that its “platform serves as a trusted and compliant on-ramp to the onchain economy and enables our users to engage in a wide variety of

activities with their crypto assets in both our own proprietary and third-party product experiences enabled by access to decentralized applications. Our business consists of products that we monetize through transaction fees, such as our consumer trading product suite, as well as subscription products and services, such as our stablecoin products.”

3. Coinbase went public through a direct listing whereby Company insiders and existing shareholders sold stock directly to the public. On April 14, 2021, Coinbase was listed on Nasdaq, and its shares began trading at over \$381, a valuation of \$112 billion, with a high of \$429 per share on the first day of trading. Because there was no lock-up period, certain Company insiders named as defendants in this Complaint quickly sold over \$2.9 billion of Coinbase stock between the first day of trading April 14, 2021 and April 22, 2021.

4. Despite the success of the direct listing, Coinbase faced challenges. To keep and retain customers, Coinbase needed to reassure customers that its assets were safe.

5. Thus, to keep the price of the stock from falling, the Individual Defendants failed to disclose the material risks arising from Coinbase’s inability to safeguard custodial assets in the event of bankruptcy. In other words, in the event Coinbase went bankrupt, Coinbase customers could lose some or all of their assets stored with the Company. Indeed, Coinbase would later admit on May 10, 2022, that

the Company’s inability to protect its customers’ crypto assets from loss in the event of bankruptcy made it likely that customers would find the Company’s custodial services more risky and less attractive, which could result in a discontinuation or reduction in use of the Coinbase platform.

6. Moreover, during the Relevant Period, the Company failed to disclose that it engaged in staking¹ and the trade of unregistered securities. By the spring of 2022, the SEC was actively investigating Coinbase for potential violations of federal securities laws, with the SEC ultimately filing a complaint against the Company (the “SEC Action”) charging Coinbase with operating its crypto asset trading platform as an unregistered national securities exchange, broker, and clearing agency and for failing to register the offer and sale of its crypto asset staking-as-a-service program.

7. Further, Coinbase was engaging in misconduct that led to widespread money laundering by users of its exchange platform, which further heightened the

¹ On its website, Coinbase describes staking as follows:

Staking is a way to earn rewards by putting your crypto to work on a blockchain network. In return for helping the network run smoothly and securely, you receive more of the cryptocurrency you’re staking. The rewards come from the network itself—your crypto isn’t being lent out. . . . Many blockchain networks use a decentralized group of validators and asset holders to verify and process crypto transactions, instead of relying on centralized intermediaries like banks. As a reward for temporarily delegating their assets to the blockchain networks, these asset owners and validators earn crypto through network rewards and fees directly from the networks.

bankruptcy and regulatory risks facing the Company. An investigation by the New York State Department of Financial Services (the “NYDFS”) revealed that Coinbase routinely failed to comply with the Bank Secrecy Act (“BSA”) and Anti-Money Laundering (“AML”) regulations at the same time Coinbase was boasting of the security of its platform and downplaying the risks to the Company’s investors.

8. In a consent order dated January 4, 2023 (the “Consent Order”), the NYDFS stated that “Coinbase’s compliance system was inadequate to handle the growing volume of Coinbase’s business,” resulting in a colossal backlog of over 100,000 “unreviewed transaction monitoring alerts” in addition to a backlog of customers that required due diligence. The Consent Order states that “Coinbase’s compliance system failed to keep up with the dramatic and unexpected growth of its business” and, by the end of 2021, “was overwhelmed[] with a substantial backlog of unreviewed transaction monitoring alerts [“TMS alerts”], exposing its platform to risk of exploitation by criminals and other bad actors.” To settle the NYDFS’s civil charges, Coinbase agreed to a \$100 million settlement.

9. As discussed herein, throughout the Relevant Period, the Individual Defendants made materially false and misleading statements and failed to disclose material adverse facts about the Company’s business, operations, and compliance policies. Specifically, the Individual Defendants failed to disclose to investors: (1) substantial, material risks associated with Coinbase’s ability to safeguard its

customers' crypto assets in the event of bankruptcy; and (2) the true regulatory risk facing Coinbase.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

11. As a direct and proximate result of the misconduct described herein by the Individual Defendants, Coinbase has sustained significant damages as described below.

PARTIES

12. Plaintiff Sard is a shareholder of Coinbase. Plaintiff Sard purchased Coinbase shares in April 2021 and continues to hold them.

13. Plaintiff Brewitz is a shareholder of Coinbase. Plaintiff Brewitz purchased Coinbase shares in April 2021 and continues to hold them.

14. Nominal Defendant Coinbase is incorporated under the laws of Delaware. According to its SEC filings, Coinbase is a “remote-first” company and, accordingly, does not maintain headquarters. In SEC filings, Coinbase states that its executive offices are located at One Madison Avenue, Suite 2400, New York, New York but notes that “this address [is] solely for the purpose of satisfying the

Securities and Exchange Commission’s request.” Coinbase common stock trades on Nasdaq exchange under the symbol “COIN.”

15. Defendant Marc Andreessen (“Andreessen”) has served as a member of the Board since December 2020. Defendant Andreessen is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Andreessen sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	18,173	\$381.00	\$6,923,913.00
4/14/2021	217,422	\$381.00	\$82,837,782.00
4/14/2021	46,188	\$381.00	\$17,597,628.00
4/14/2021	8,697	\$381.00	\$3,313,557.00
4/14/2021	4,295	\$381.00	\$1,636,395.00
4/15/2021	300	\$318.64	\$95,592.00
4/15/2021	400	\$320.04	\$128,016.00
4/15/2021	700	\$320.84	\$224,588.00
4/15/2021	828	\$321.89	\$266,524.92
4/15/2021	2,593	\$322.89	\$837,253.77
4/15/2021	1,400	\$323.94	\$453,516.00
4/15/2021	539	\$324.87	\$175,104.93
4/15/2021	400	\$326.21	\$130,484.00
4/15/2021	200	\$327.02	\$65,404.00
4/15/2021	700	\$329.01	\$230,307.00
4/15/2021	1,463	\$331.30	\$484,691.90
4/15/2021	1,537	\$332.28	\$510,714.36
4/15/2021	2,700	\$333.28	\$899,856.00
4/15/2021	1,900	\$334.16	\$634,904.00
4/15/2021	600	\$334.97	\$200,982.00
4/15/2021	400	\$336.24	\$134,496.00

4/15/2021	800	\$337.32	\$269,856.00
4/15/2021	300	\$338.24	\$101,472.00
4/15/2021	337	\$339.51	\$114,414.87
4/15/2021	263	\$340.54	\$89,562.02
4/15/2021	100	\$341.59	\$34,159.00
4/15/2021	200	\$342.12	\$68,424.00
4/15/2021	195	\$348.85	\$68,025.75
4/15/2021	394	\$325.36	\$128,191.84
5/24/2021	873	\$224.99	\$196,416.27
5/24/2021	7,700	\$225.97	\$1,739,969.00
5/24/2021	5,799	\$226.79	\$1,315,155.21
5/24/2021	1,201	\$227.71	\$273,479.71
5/24/2021	1,600	\$228.88	\$366,208.00
5/24/2021	200	\$229.73	\$45,946.00
5/24/2021	100	\$230.95	\$23,095.00
8/12/2021	109,592	\$256.12	\$28,068,703.04
8/12/2021	134,339	\$257.25	\$34,558,707.75
8/12/2021	120,974	\$258.33	\$31,251,213.42
8/12/2021	44,310	\$259.30	\$11,489,583.00
8/12/2021	114,507	\$260.23	\$29,798,156.61
8/12/2021	45,859	\$261.15	\$11,976,077.85
8/12/2021	45,786	\$262.29	\$12,009,209.94
8/12/2021	26,555	\$263.17	\$6,988,479.35
8/12/2021	14,678	\$264.16	\$3,877,340.48
8/12/2021	26,863	\$265.16	\$7,122,993.08
8/12/2021	42,078	\$266.22	\$11,202,005.16
8/12/2021	946	\$266.83	\$252,421.18
Totals:	1,057,984		\$311,210,975.41

16. Defendant Brian Armstrong (“Armstrong”) co-founded Coinbase in 2012 and served as its Chief Executive Officer (“CEO”) and member of the Board since May 2012 and has served as Chairman of the Board since February 2021. Defendant Armstrong is named as a defendant in the Securities Class Action. As

demonstrated by the chart below, Defendant Armstrong sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	166,667	\$410.40	\$68,400,136.80
4/14/2021	116,667	\$391.10	\$45,628,463.70
4/14/2021	466,665	\$381.00	\$177,799,365.00
11/11/2022	300	\$46.71	\$14,013.00
11/11/2022	700	\$48.40	\$33,880.00
11/11/2022	500	\$49.34	\$24,670.00
11/11/2022	1,083	\$50.57	\$54,767.31
11/11/2022	1,600	\$51.23	\$81,968.00
11/11/2022	2,090	\$52.65	\$110,038.50
11/11/2022	4,310	\$53.65	\$231,231.50
11/11/2022	3,700	\$54.66	\$202,242.00
11/11/2022	5,204	\$55.63	\$289,498.52
11/11/2022	6,990	\$56.48	\$394,795.20
11/11/2022	2,755	\$57.68	\$158,908.40
11/11/2022	500	\$58.16	\$29,080.00
11/21/2022	7,375	\$41.21	\$303,923.75
11/21/2022	4,201	\$42.11	\$176,904.11
11/21/2022	1,300	\$43.00	\$55,900.00
11/21/2022	1,990	\$44.05	\$87,659.50
12/5/2022	7,019	\$46.12	\$323,716.28
12/5/2022	5,347	\$47.12	\$251,950.64
12/5/2022	1,900	\$48.16	\$91,504.00
12/5/2022	600	\$49.24	\$29,544.00
12/20/2022	10,116	\$35.01	\$354,161.16
12/20/2022	4,250	\$35.88	\$152,490.00
12/20/2022	500	\$36.56	\$18,280.00
1/4/2023	2,700	\$35.12	\$94,824.00
1/4/2023	2,612	\$35.92	\$93,823.04
1/4/2023	4,850	\$37.28	\$180,808.00
1/4/2023	4,704	\$37.89	\$178,234.56

1/13/2023	58,053	\$50.06	\$2,906,133.18
1/17/2023	4,450	\$51.35	\$228,507.50
1/17/2023	12,610	\$52.32	\$659,755.20
1/17/2023	7,343	\$53.15	\$390,280.45
1/17/2023	6,540	\$54.32	\$355,252.80
1/17/2023	200	\$54.90	\$10,980.00
1/30/2023	1,656	\$56.05	\$92,818.80
1/30/2023	6,421	\$57.20	\$367,281.20
1/30/2023	10,026	\$58.41	\$585,618.66
1/30/2023	5,264	\$59.26	\$311,944.64
1/30/2023	4,842	\$60.27	\$291,827.34
1/30/2023	1,523	\$61.19	\$93,192.37
2/2/2023	3,000	\$75.21	\$225,630.00
2/2/2023	1,200	\$76.31	\$91,572.00
2/2/2023	8,001	\$77.78	\$622,317.78
2/2/2023	9,690	\$78.68	\$762,409.20
2/2/2023	10,605	\$79.69	\$845,112.45
2/2/2023	4,768	\$80.93	\$385,874.24
2/2/2023	5,451	\$82.07	\$447,363.57
2/2/2023	700	\$82.94	\$58,058.00
2/2/2023	883	\$83.82	\$74,013.06
2/2/2023	300	\$84.90	\$25,470.00
2/14/2023	2,400	\$55.75	\$133,800.00
2/14/2023	6,932	\$56.60	\$392,351.20
2/14/2023	8,211	\$57.53	\$472,378.83
2/14/2023	7,381	\$58.67	\$433,043.27
2/14/2023	3,208	\$59.56	\$191,068.48
2/14/2023	1,600	\$60.47	\$96,752.00
3/1/2023	11,415	\$63.89	\$729,304.35
3/1/2023	14,717	\$64.59	\$950,571.03
3/1/2023	3,200	\$65.63	\$210,016.00
3/1/2023	400	\$66.52	\$26,608.00
3/13/2023	1,400	\$51.27	\$71,778.00
3/13/2023	900	\$52.30	\$47,070.00
3/13/2023	700	\$53.46	\$37,422.00

3/13/2023	2,734	\$54.42	\$148,784.28
3/13/2023	2,800	\$55.81	\$156,268.00
3/13/2023	3,500	\$56.73	\$198,555.00
3/13/2023	2,300	\$58.07	\$133,561.00
3/13/2023	8,372	\$59.05	\$494,366.60
3/13/2023	5,725	\$60.04	\$343,729.00
3/13/2023	1,301	\$60.62	\$78,866.62
3/17/2023	22,886	\$75.35	\$1,724,460.10
3/17/2023	5,140	\$76.20	\$391,668.00
3/20/2023	1,606	\$75.24	\$120,835.44
3/20/2023	100	\$76.38	\$7,638.00
3/27/2023	7,391	\$61.10	\$451,590.10
3/27/2023	10,034	\$62.06	\$622,710.04
3/27/2023	4,164	\$63.38	\$263,914.32
3/27/2023	3,448	\$64.16	\$221,223.68
3/27/2023	4,343	\$65.88	\$286,116.84
3/27/2023	350	\$66.52	\$23,282.00
4/10/2023	7,751	\$60.34	\$467,695.34
4/10/2023	5,251	\$61.68	\$323,881.68
4/10/2023	5,415	\$62.70	\$339,520.50
4/10/2023	4,657	\$63.61	\$296,231.77
4/10/2023	4,221	\$64.70	\$273,098.70
4/10/2023	2,435	\$65.72	\$160,028.20
4/24/2023	18,939	\$54.68	\$1,035,584.52
4/24/2023	3,210	\$55.63	\$178,572.30
4/24/2023	1,654	\$56.58	\$93,583.32
4/24/2023	4,927	\$57.58	\$283,696.66
4/24/2023	1,000	\$58.46	\$58,460.00
5/8/2023	9,961	\$55.21	\$549,946.81
5/8/2023	4,639	\$56.17	\$260,572.63
5/8/2023	9,128	\$57.22	\$522,304.16
5/8/2023	6,002	\$58.09	\$348,656.18
5/24/2023	11,846	\$57.13	\$676,761.98
5/24/2023	17,218	\$58.07	\$999,849.26
5/24/2023	666	\$58.78	\$39,147.48

6/5/2023	3,400	\$56.71	\$192,814.00
6/5/2023	8,598	\$57.64	\$495,588.72
6/5/2023	2,992	\$58.48	\$174,972.16
6/5/2023	1,000	\$60.13	\$60,130.00
6/5/2023	1,750	\$61.10	\$106,925.00
6/5/2023	7,702	\$62.09	\$478,217.18
6/5/2023	3,500	\$63.37	\$221,795.00
6/5/2023	788	\$63.80	\$50,274.40
Totals:	1,300,029		\$323,826,233.54

17. Defendant Surojit Chatterjee (“Chatterjee”) served as Coinbase’s Chief Product Officer from February 2020 until February 2023. As demonstrated by the chart below, Defendant Chatterjee sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	135,000	\$381.00	\$51,435,000.00
4/14/2021	25,000	\$418.00	\$10,450,000.00
9/2/2021	1,200	\$267.32	\$320,784.00
9/2/2021	4,360	\$268.13	\$1,169,046.80
9/2/2021	1,500	\$269.09	\$403,635.00
9/2/2021	300	\$269.91	\$80,973.00
9/2/2021	800	\$271.55	\$217,240.00
9/2/2021	2,779	\$272.87	\$758,305.73
9/2/2021	4,061	\$274.05	\$1,112,917.05
9/2/2021	5,000	\$274.59	\$1,372,950.00
10/5/2021	10,000	\$238.00	\$2,380,000.00
10/11/2021	10,000	\$263.00	\$2,630,000.00
10/18/2021	10,000	\$295.01	\$2,950,100.00
10/20/2021	10,000	\$313.01	\$3,130,100.00
11/2/2021	3,027	\$333.24	\$1,008,717.48
11/2/2021	2,655	\$334.32	\$887,619.60

11/2/2021	4,220	\$335.21	\$1,414,586.20
11/2/2021	8,492	\$336.48	\$2,857,388.16
11/2/2021	6,450	\$337.45	\$2,176,552.50
11/2/2021	3,587	\$338.43	\$1,213,948.41
11/2/2021	5,207	\$339.55	\$1,768,036.85
11/2/2021	3,301	\$340.44	\$1,123,792.44
11/2/2021	1,761	\$341.57	\$601,504.77
11/2/2021	400	\$342.48	\$136,992.00
11/2/2021	700	\$343.97	\$240,779.00
11/2/2021	200	\$344.63	\$68,926.00
11/8/2021	20,000	\$355.29	\$7,105,800.00
12/2/2021	1,355	\$284.38	\$385,334.90
12/2/2021	1,269	\$285.52	\$362,324.88
12/2/2021	2,777	\$286.60	\$795,888.20
12/2/2021	1,282	\$287.66	\$368,780.12
12/2/2021	2,501	\$288.65	\$721,913.65
12/2/2021	2,201	\$289.60	\$637,409.60
12/2/2021	2,715	\$290.87	\$789,712.05
12/2/2021	2,000	\$291.67	\$583,340.00
12/2/2021	100	\$292.33	\$29,233.00
12/2/2021	747	\$294.82	\$220,230.54
12/2/2021	9,043	\$295.73	\$2,674,286.39
12/2/2021	1,610	\$296.51	\$477,381.10
12/2/2021	400	\$297.85	\$119,140.00
12/2/2021	400	\$299.46	\$119,784.00
12/2/2021	800	\$300.64	\$240,512.00
12/2/2021	500	\$302.32	\$151,160.00
12/2/2021	100	\$302.90	\$30,290.00
12/2/2021	200	\$304.66	\$60,932.00
1/4/2022	10,000	\$253.41	\$2,534,100.00
Totals:	320,000		\$110,317,447.42

18. Defendant Emilie Choi (“Choi”) has served as Coinbase’s Chief Operating Officer (“COO”) since June 2019 and its President since November 2020.

Choi previously served as the Company's Vice President of Business, Data and International, from March 2018 to June 2019. Defendant Choi is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Choi sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	1	\$312.09	\$312.09
4/14/2021	1,800	\$313.52	\$564,336.00
4/14/2021	300	\$317.13	\$95,139.00
4/14/2021	28,402	\$320.03	\$9,089,492.06
4/14/2021	9,991	\$321.12	\$3,208,309.92
4/14/2021	6,120	\$321.77	\$1,969,232.40
4/14/2021	25,158	\$323.31	\$8,133,832.98
4/14/2021	9,304	\$324.14	\$3,015,798.56
4/14/2021	71,145	\$325.37	\$23,148,448.65
4/14/2021	50,113	\$326.41	\$16,357,384.33
4/14/2021	20,942	\$327.57	\$6,859,970.94
4/14/2021	22,629	\$328.40	\$7,431,363.60
4/14/2021	9,826	\$329.69	\$3,239,533.94
4/14/2021	7,600	\$330.63	\$2,512,788.00
4/14/2021	12,300	\$331.86	\$4,081,878.00
4/14/2021	9,800	\$333.02	\$3,263,596.00
4/14/2021	2,711	\$334.55	\$906,965.05
4/14/2021	3,974	\$335.07	\$1,331,568.18
4/14/2021	1,628	\$336.10	\$547,170.80
4/14/2021	3,050	\$337.18	\$1,028,399.00
4/14/2021	1,700	\$339.37	\$576,929.00
4/14/2021	1,206	\$342.71	\$413,308.26
4/14/2021	300	\$343.93	\$103,179.00
4/14/2021	1,300	\$350.54	\$455,702.00
4/14/2021	600	\$351.34	\$210,804.00

4/14/2021	810	\$353.01	\$285,938.10
4/14/2021	100	\$354.43	\$35,443.00
4/14/2021	100	\$374.00	\$37,400.00
4/14/2021	27,026	\$375.31	\$10,143,128.06
4/14/2021	9,843	\$376.27	\$3,703,625.61
4/14/2021	5,666	\$377.23	\$2,137,385.18
4/14/2021	1,184	\$378.08	\$447,646.72
4/14/2021	125,000	\$394.00	\$49,250,000.00
4/14/2021	80,000	\$423.00	\$33,840,000.00
4/14/2021	50,000	\$423.00	\$21,150,000.00
4/14/2021	129	\$375.59	\$48,451.11
4/14/2021	200	\$376.92	\$75,384.00
4/14/2021	200	\$379.54	\$75,908.00
4/15/2021	12,012	\$349.00	\$4,192,188.00
10/25/2021	17,414	\$324.04	\$5,642,832.56
10/25/2021	12,500	\$324.10	\$4,051,250.00
11/30/2021	5,804	\$324.00	\$1,880,496.00
Totals:	649,888		\$235,542,518.10

19. Defendant Frederick Ernest Ehram, III (“Ehram”) is Coinbase’s co-founder and has served as a member the Board since March 2013. Ehram has served on the Audit and Compliance Committee (the “Audit Committee”) since at least 2021. Previously, Ehram served as the Company’s President from November 2012 until January 2017. Defendant Ehram is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Ehram sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	4,072	\$352.16	\$1,433,995.52
4/14/2021	1,158	\$353.35	\$409,179.30

4/14/2021	500	\$354.56	\$177,280.00
4/14/2021	1,800	\$355.83	\$640,494.00
4/14/2021	400	\$357.01	\$142,804.00
4/14/2021	200	\$358.12	\$71,624.00
4/14/2021	2,300	\$361.39	\$831,197.00
4/14/2021	565	\$362.07	\$204,569.55
4/14/2021	500	\$363.04	\$181,520.00
4/14/2021	4,782	\$364.20	\$1,741,604.40
4/14/2021	2,501	\$365.50	\$914,115.50
4/14/2021	3,400	\$366.10	\$1,244,740.00
4/14/2021	600	\$366.10	\$219,660.00
4/14/2021	2,500	\$368.65	\$921,625.00
4/14/2021	4,715	\$369.26	\$1,741,060.90
4/14/2021	400	\$370.24	\$148,096.00
4/14/2021	300	\$371.56	\$111,468.00
4/14/2021	200	\$372.51	\$74,502.00
4/14/2021	909	\$375.63	\$341,447.67
4/14/2021	600	\$376.83	\$226,098.00
4/14/2021	2,380	\$377.10	\$897,498.00
4/14/2021	2,300	\$379.02	\$871,746.00
4/14/2021	200	\$380.31	\$76,062.00
4/14/2021	110,090	\$381.00	\$41,944,290.00
4/14/2021	1,254	\$382.89	\$480,144.06
4/14/2021	1,117	\$383.72	\$428,615.24
4/14/2021	616	\$384.80	\$237,036.80
4/14/2021	100	\$385.63	\$38,563.00
4/14/2021	200	\$388.75	\$77,750.00
4/14/2021	200	\$389.57	\$77,914.00
4/14/2021	2,400	\$392.85	\$942,840.00
4/14/2021	100	\$396.89	\$39,689.00
4/14/2021	6,943	\$404.98	\$2,811,776.14
4/14/2021	39,686	\$405.34	\$16,086,323.24
4/14/2021	2,123	\$407.10	\$864,273.30
4/14/2021	3,571	\$409.56	\$1,462,538.76
4/14/2021	2,672	\$422.76	\$1,129,614.72

4/14/2021	12,852	\$381.00	\$4,896,612.00
4/14/2021	1,625	\$404.98	\$658,092.50
4/14/2021	9,301	\$405.34	\$3,770,067.34
4/14/2021	469	\$407.11	\$190,934.59
4/14/2021	829	\$409.56	\$339,525.24
4/14/2021	628	\$422.76	\$265,493.28
4/15/2021	500	\$318.67	\$159,335.00
4/15/2021	1,588	\$320.68	\$509,239.84
4/15/2021	1,646	\$321.56	\$529,287.76
4/15/2021	1,557	\$322.75	\$502,521.75
4/15/2021	1,515	\$323.59	\$490,238.85
4/15/2021	4,815	\$324.53	\$1,562,611.95
4/15/2021	809	\$326.07	\$263,789.01
4/15/2021	500	\$327.06	\$163,530.00
4/15/2021	600	\$328.64	\$197,184.00
4/15/2021	815	\$329.52	\$268,558.80
4/15/2021	1,100	\$330.63	\$363,693.00
4/15/2021	3,896	\$331.70	\$1,292,303.20
4/15/2021	4,337	\$332.65	\$1,442,703.05
4/15/2021	6,125	\$333.68	\$2,043,790.00
4/15/2021	3,937	\$334.66	\$1,317,556.42
4/15/2021	1,400	\$336.14	\$470,596.00
4/15/2021	1,010	\$337.56	\$340,935.60
4/15/2021	22,127	\$338.08	\$7,480,696.16
4/15/2021	1,739	\$339.79	\$590,894.81
4/15/2021	1,348	\$340.25	\$458,657.00
4/15/2021	300	\$341.63	\$102,489.00
4/15/2021	1,590	\$343.83	\$546,689.70
4/15/2021	200	\$376.83	\$75,366.00
4/15/2021	1,177	\$347.53	\$409,042.81
4/15/2021	100	\$348.51	\$34,851.00
4/16/2021	800	\$324.67	\$259,736.00
4/16/2021	1,735	\$326.13	\$565,835.55
4/16/2021	3,142	\$327.08	\$1,027,685.36
4/16/2021	1,451	\$327.89	\$475,768.39

4/16/2021	2,254	\$329.73	\$743,211.42
4/16/2021	2,763	\$330.85	\$914,138.55
4/16/2021	3,129	\$331.81	\$1,038,233.49
4/16/2021	1,172	\$332.73	\$389,959.56
4/16/2021	1,826	\$334.03	\$609,938.78
4/16/2021	4,735	\$335.04	\$1,586,414.40
4/16/2021	1,445	\$336.00	\$485,520.00
4/16/2021	4,285	\$337.18	\$1,444,816.30
4/16/2021	6,723	\$338.46	\$2,275,466.58
4/16/2021	11,495	\$339.39	\$3,901,288.05
4/16/2021	4,716	\$340.07	\$1,603,770.12
4/16/2021	3,221	\$340.86	\$1,097,910.06
4/16/2021	5,768	\$342.34	\$1,974,617.12
4/16/2021	540	\$343.56	\$185,522.40
4/16/2021	8,300	\$344.10	\$2,856,030.00
4/19/2021	1,515	\$328.10	\$497,071.50
4/19/2021	2,967	\$328.93	\$975,935.31
4/19/2021	6,008	\$329.93	\$1,982,219.44
4/19/2021	9,715	\$331.01	\$3,215,762.15
4/19/2021	11,936	\$331.99	\$3,962,632.64
4/19/2021	12,458	\$332.93	\$4,147,641.94
4/19/2021	4,477	\$333.93	\$1,495,004.61
4/19/2021	4,344	\$334.94	\$1,454,979.36
4/19/2021	2,300	\$335.77	\$772,271.00
4/19/2021	1,911	\$337.16	\$644,312.76
4/19/2021	1,599	\$337.94	\$540,366.06
4/19/2021	669	\$338.94	\$226,750.86
4/19/2021	101	\$339.59	\$34,298.59
4/20/2021	494	\$315.43	\$155,822.42
4/20/2021	1,548	\$316.69	\$490,236.12
4/20/2021	3,807	\$317.58	\$1,209,027.06
4/20/2021	1,164	\$318.56	\$370,803.84
4/20/2021	2,663	\$319.66	\$851,254.58
4/20/2021	2,492	\$320.66	\$799,084.72
4/20/2021	2,623	\$321.59	\$843,530.57

4/20/2021	34,057	\$323.13	\$11,004,838.41
4/20/2021	18,729	\$324.00	\$6,068,196.00
4/20/2021	1,804	\$324.93	\$586,173.72
4/20/2021	619	\$328.61	\$203,409.59
4/21/2021	1,300	\$308.32	\$400,816.00
4/21/2021	1,100	\$309.37	\$340,307.00
4/21/2021	1,801	\$310.72	\$559,606.72
4/21/2021	4,550	\$311.68	\$1,418,144.00
4/21/2021	6,385	\$312.66	\$1,996,334.10
4/21/2021	10,033	\$313.55	\$3,145,847.15
4/21/2021	6,699	\$314.61	\$2,107,572.39
4/21/2021	2,436	\$315.62	\$768,850.32
4/21/2021	2,880	\$316.73	\$912,182.40
4/21/2021	4,978	\$317.76	\$1,581,809.28
4/21/2021	6,305	\$318.65	\$2,009,088.25
4/21/2021	3,655	\$319.75	\$1,168,686.25
4/21/2021	2,640	\$320.81	\$846,938.40
4/21/2021	2,600	\$321.87	\$836,862.00
4/21/2021	645	\$322.87	\$208,251.15
4/21/2021	501	\$323.83	\$162,238.83
4/21/2021	2,237	\$325.19	\$727,450.03
4/21/2021	3,452	\$326.08	\$1,125,628.16
4/21/2021	803	\$326.99	\$262,572.97
4/22/2021	400	\$288.01	\$115,204.00
4/22/2021	1,938	\$289.86	\$561,748.68
4/22/2021	4,252	\$290.78	\$1,236,396.56
4/22/2021	7,700	\$291.99	\$2,248,323.00
4/22/2021	5,761	\$293.01	\$1,688,030.61
4/22/2021	13,018	\$294.09	\$3,828,463.62
4/22/2021	13,870	\$294.91	\$4,090,401.70
4/22/2021	5,979	\$295.87	\$1,769,006.73
4/22/2021	2,254	\$296.63	\$668,604.02
4/22/2021	2,947	\$297.96	\$878,088.12
4/22/2021	671	\$299.41	\$200,904.11
4/22/2021	200	\$299.64	\$59,928.00

4/22/2021	7,016	\$308.26	\$2,162,752.16
4/22/2021	2,375	\$309.50	\$735,062.50
4/22/2021	1,804	\$310.45	\$560,051.80
4/22/2021	300	\$311.35	\$93,405.00
4/22/2021	200	\$313.39	\$62,678.00
8/16/2021	200	\$253.81	\$50,762.00
8/16/2021	1,058	\$255.15	\$269,948.70
8/16/2021	1,129	\$256.07	\$289,103.03
8/16/2021	2,716	\$257.17	\$698,473.72
8/16/2021	1,798	\$258.17	\$464,189.66
8/16/2021	1,811	\$259.18	\$469,374.98
8/16/2021	500	\$260.23	\$130,115.00
8/16/2021	500	\$261.02	\$130,510.00
8/16/2021	500	\$262.17	\$131,085.00
8/16/2021	100	\$262.31	\$26,231.00
9/1/2021	100	\$258.80	\$25,880.00
9/1/2021	300	\$259.64	\$77,892.00
9/1/2021	300	\$260.41	\$78,123.00
9/1/2021	500	\$261.25	\$130,625.00
9/1/2021	100	\$262.57	\$26,257.00
9/1/2021	200	\$263.83	\$52,766.00
9/1/2021	900	\$264.55	\$238,095.00
9/1/2021	2,496	\$265.49	\$662,663.04
9/1/2021	1,603	\$266.54	\$427,263.62
9/1/2021	755	\$267.38	\$201,871.90
9/1/2021	1,208	\$268.44	\$324,275.52
9/1/2021	700	\$269.44	\$188,608.00
9/1/2021	800	\$270.43	\$216,344.00
9/1/2021	350	\$271.50	\$95,025.00
9/1/2021	11,268	\$268.53	\$3,025,796.04
9/1/2021	6,174	\$269.56	\$1,664,263.44
9/1/2021	9,667	\$270.50	\$2,614,923.50
9/1/2021	4,739	\$271.39	\$1,286,117.21
9/2/2021	387	\$267.18	\$103,398.66
9/2/2021	6,014	\$268.19	\$1,612,894.66

9/2/2021	3,098	\$269.15	\$833,826.70
9/2/2021	440	\$269.87	\$118,742.80
9/2/2021	1,790	\$271.53	\$486,038.70
9/2/2021	2,472	\$272.44	\$673,471.68
9/2/2021	2,184	\$273.46	\$597,236.64
9/2/2021	1,390	\$274.45	\$381,485.50
9/2/2021	100	\$275.11	\$27,511.00
9/3/2021	100	\$270.27	\$27,027.00
9/3/2021	400	\$273.30	\$109,320.00
9/3/2021	200	\$274.71	\$54,942.00
9/3/2021	300	\$276.84	\$83,052.00
9/3/2021	600	\$278.48	\$167,088.00
9/3/2021	235	\$279.46	\$65,673.10
10/6/2021	8,741	\$249.49	\$2,180,792.09
10/6/2021	10,709	\$250.44	\$2,681,961.96
10/6/2021	1,174	\$251.35	\$295,084.90
10/15/2021	3,126	\$268.01	\$837,799.26
10/15/2021	16,007	\$268.79	\$4,302,521.53
10/15/2021	7,990	\$269.86	\$2,156,181.40
10/15/2021	5,960	\$270.73	\$1,613,550.80
10/15/2021	6,594	\$271.84	\$1,792,512.96
10/15/2021	3,613	\$272.97	\$986,240.61
10/15/2021	6,636	\$273.98	\$1,818,131.28
10/15/2021	3,691	\$274.71	\$1,013,954.61
10/15/2021	5,030	\$276.11	\$1,388,833.30
10/15/2021	6,757	\$276.94	\$1,871,283.58
10/15/2021	8,926	\$277.94	\$2,480,892.44
10/15/2021	3,862	\$278.75	\$1,076,532.50
10/15/2021	6,757	\$279.81	\$1,890,676.17
10/15/2021	2,700	\$281.12	\$759,024.00
10/19/2021	71,545	\$306.44	\$21,924,249.80
10/19/2021	4,860	\$307.11	\$1,492,554.60
10/20/2021	2,500	\$306.58	\$766,450.00
10/20/2021	1,435	\$307.23	\$440,875.05
10/20/2021	3,036	\$308.71	\$937,243.56

10/20/2021	2,198	\$309.60	\$680,500.80
10/20/2021	6,034	\$310.96	\$1,876,332.64
10/20/2021	15,902	\$311.79	\$4,958,084.58
10/20/2021	27,070	\$312.78	\$8,466,954.60
10/20/2021	21,358	\$313.82	\$6,702,567.56
10/20/2021	13,134	\$314.55	\$4,131,299.70
10/20/2021	6,065	\$315.86	\$1,915,690.90
10/20/2021	4,863	\$316.66	\$1,539,917.58
11/1/2021	684	\$326.28	\$223,175.52
11/1/2021	2,007	\$327.37	\$657,031.59
11/1/2021	4,852	\$328.54	\$1,594,076.08
11/1/2021	8,229	\$329.42	\$2,710,797.18
11/1/2021	8,696	\$330.30	\$2,872,288.80
11/1/2021	4,763	\$331.29	\$1,577,934.27
11/1/2021	6,351	\$332.43	\$2,111,262.93
11/1/2021	10,926	\$333.26	\$3,641,198.76
11/1/2021	7,463	\$334.43	\$2,495,851.09
11/1/2021	9,683	\$335.37	\$3,247,387.71
11/1/2021	6,302	\$336.34	\$2,119,614.68
11/1/2021	1,734	\$337.31	\$584,895.54
11/1/2021	400	\$338.20	\$135,280.00
11/2/2021	5,472	\$344.33	\$1,884,173.76
11/3/2021	5,992	\$344.05	\$2,061,547.60
11/4/2021	182,977	\$344.31	\$63,000,810.87
11/4/2021	4,740	\$345.32	\$1,636,816.80
11/5/2021	2,306	\$344.30	\$793,955.80
11/8/2021	300	\$346.49	\$103,947.00
11/8/2021	2,219	\$347.72	\$771,590.68
11/8/2021	1,250	\$348.37	\$435,462.50
11/8/2021	1,055	\$349.64	\$368,870.20
11/8/2021	360	\$350.64	\$126,230.40
11/8/2021	890	\$352.67	\$313,876.30
11/8/2021	2,033	\$353.41	\$718,482.53
11/8/2021	2,982	\$354.45	\$1,056,969.90
11/8/2021	1,751	\$355.53	\$622,533.03

11/8/2021	696	\$356.40	\$248,054.40
11/8/2021	498	\$357.64	\$178,104.72
11/8/2021	1,300	\$358.77	\$466,401.00
11/8/2021	1,534	\$359.91	\$552,101.94
11/8/2021	444	\$360.76	\$160,177.44
11/8/2021	101	\$361.70	\$36,531.70
11/8/2021	100	\$363.07	\$36,306.90
11/15/2021	2,670	\$339.65	\$906,865.50
11/15/2021	2,666	\$340.75	\$908,439.50
11/15/2021	4,475	\$341.84	\$1,529,734.00
11/15/2021	6,341	\$342.85	\$2,174,011.85
11/15/2021	6,426	\$343.73	\$2,208,808.98
11/15/2021	21,002	\$344.73	\$7,240,019.46
11/15/2021	22,848	\$345.67	\$7,897,868.16
11/15/2021	9,327	\$346.71	\$3,233,764.17
11/15/2021	5,897	\$347.88	\$2,051,448.36
11/15/2021	8,802	\$348.66	\$3,068,905.32
11/15/2021	5,633	\$349.82	\$1,970,536.06
11/15/2021	4,437	\$350.75	\$1,556,277.75
11/15/2021	2,569	\$351.58	\$903,209.02
11/15/2021	4,585	\$352.86	\$1,617,863.10
11/15/2021	912	\$354.13	\$322,966.56
12/1/2021	863	\$294.37	\$254,041.31
12/1/2021	837	\$295.54	\$247,366.98
12/1/2021	312	\$296.64	\$92,551.68
12/1/2021	484	\$297.59	\$144,033.56
12/1/2021	701	\$298.59	\$209,311.59
12/1/2021	600	\$299.67	\$179,802.00
12/1/2021	843	\$300.93	\$253,683.99
12/1/2021	585	\$302.63	\$177,038.55
12/1/2021	715	\$303.84	\$217,245.60
12/1/2021	1,100	\$304.93	\$335,423.00
12/1/2021	2,119	\$306.07	\$648,562.33
12/1/2021	4,810	\$306.79	\$1,475,659.90
12/1/2021	2,100	\$307.87	\$646,527.00

12/1/2021	2,429	\$308.80	\$750,075.20
12/1/2021	187	\$309.75	\$57,923.25
12/1/2021	1,676	\$311.03	\$521,286.28
12/1/2021	3,605	\$311.98	\$1,124,687.90
12/1/2021	2,719	\$312.90	\$850,775.10
12/1/2021	1,660	\$314.00	\$521,240.00
12/1/2021	2,144	\$314.82	\$674,974.08
12/1/2021	9,522	\$315.87	\$3,007,714.14
12/1/2021	5,577	\$316.77	\$1,766,626.29
12/1/2021	5,649	\$317.84	\$1,795,478.16
12/1/2021	5,745	\$318.90	\$1,832,080.50
12/1/2021	3,923	\$319.76	\$1,254,418.48
12/1/2021	2,157	\$320.75	\$691,857.75
12/1/2021	1,355	\$321.86	\$436,120.30
12/1/2021	295	\$322.69	\$95,193.55
12/2/2021	474	\$284.41	\$134,810.34
12/2/2021	649	\$286.12	\$185,691.88
12/2/2021	340	\$287.08	\$97,607.20
12/2/2021	1,050	\$288.17	\$302,578.50
12/2/2021	908	\$289.10	\$262,502.80
12/2/2021	1,100	\$290.36	\$319,396.00
12/2/2021	865	\$291.23	\$251,913.95
12/2/2021	100	\$292.16	\$29,216.00
12/2/2021	200	\$293.72	\$58,744.00
12/2/2021	200	\$295.48	\$59,096.00
12/2/2021	300	\$296.93	\$89,079.00
12/2/2021	400	\$298.88	\$119,552.00
12/2/2021	386	\$299.94	\$115,776.84
12/2/2021	106	\$301.31	\$31,938.86
12/2/2021	100	\$302.16	\$30,216.00
12/2/2021	200	\$303.67	\$60,734.00
12/15/2021	1,624	\$249.46	\$405,123.04
12/15/2021	1,129	\$250.47	\$282,780.63
12/15/2021	1,253	\$251.50	\$315,129.50
12/15/2021	700	\$252.58	\$176,806.00

12/15/2021	808	\$253.56	\$204,876.48
12/15/2021	700	\$254.87	\$178,409.00
12/15/2021	1,000	\$255.96	\$255,960.00
12/15/2021	1,798	\$257.34	\$462,697.32
12/15/2021	400	\$258.49	\$103,396.00
12/15/2021	700	\$259.76	\$181,832.00
12/15/2021	200	\$260.50	\$52,100.00
12/23/2021	23,328	\$268.33	\$6,259,602.24
12/23/2021	300	\$269.09	\$80,727.00
Totals:	1,500,139		\$492,308,194.17

20. Defendant Paul Grewal (“Grewal”) has served as Coinbase’s Chief Legal Officer (“CLO”) since July 2020. Defendant Grewal is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Grewal sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
8/31/2021	20,262	\$258.26	\$5,232,864.12
8/31/2021	17,856	\$258.95	\$4,623,811.20
8/31/2021	2,876	\$260.18	\$748,277.68
8/31/2021	2,495	\$261.07	\$651,369.65
8/31/2021	2,300	\$262.28	\$603,244.00
8/31/2021	500	\$263.07	\$131,535.00
9/1/2021	1,300	\$259.85	\$337,805.00
9/1/2021	1,501	\$260.44	\$390,920.44
9/1/2021	466	\$261.44	\$121,831.04
9/1/2021	3,991	\$264.61	\$1,056,058.51
9/1/2021	13,548	\$265.35	\$3,594,961.80
9/1/2021	8,321	\$266.42	\$2,216,880.82
9/1/2021	3,503	\$267.40	\$936,702.20
9/1/2021	4,462	\$268.37	\$1,197,466.94

9/1/2021	3,909	\$269.42	\$1,053,162.78
9/1/2021	3,502	\$270.46	\$947,150.92
9/1/2021	1,784	\$271.51	\$484,373.84
9/22/2021	400	\$238.74	\$95,496.00
9/22/2021	10,283	\$239.92	\$2,467,097.36
9/22/2021	14,275	\$240.99	\$3,440,132.25
9/22/2021	15,330	\$241.81	\$3,706,947.30
9/22/2021	1,000	\$242.76	\$242,760.00
9/23/2021	13,941	\$237.82	\$3,315,448.62
9/23/2021	16,555	\$238.64	\$3,950,685.20
9/23/2021	2,596	\$239.62	\$622,053.52
9/23/2021	2,500	\$240.96	\$602,400.00
9/23/2021	1,500	\$241.99	\$362,985.00
9/23/2021	1,700	\$242.96	\$413,032.00
9/23/2021	1,000	\$243.75	\$243,750.00
9/23/2021	1,495	\$244.83	\$366,020.85
10/20/2021	620	\$305.62	\$189,484.40
10/20/2021	657	\$307.40	\$201,961.80
10/20/2021	842	\$309.20	\$260,346.40
10/20/2021	616	\$310.74	\$191,415.84
10/20/2021	3,300	\$311.75	\$1,028,775.00
10/20/2021	5,271	\$312.73	\$1,648,399.83
10/20/2021	6,085	\$313.79	\$1,909,412.15
10/20/2021	4,491	\$314.55	\$1,412,644.05
10/20/2021	2,383	\$315.92	\$752,837.36
10/20/2021	672	\$317.00	\$213,024.00
10/21/2021	1,099	\$298.93	\$328,524.07
10/21/2021	4,262	\$300.37	\$1,280,176.94
10/21/2021	3,109	\$301.30	\$936,741.70
10/21/2021	2,247	\$302.04	\$678,683.88
10/21/2021	1,300	\$303.43	\$394,459.00
10/21/2021	2,194	\$304.54	\$668,160.76
10/21/2021	2,220	\$305.53	\$678,276.60
10/21/2021	1,280	\$306.37	\$392,153.60
10/21/2021	675	\$307.69	\$207,690.75

10/21/2021	1,700	\$308.86	\$525,062.00
10/21/2021	1,800	\$309.70	\$557,460.00
10/21/2021	900	\$310.94	\$279,846.00
10/21/2021	300	\$312.35	\$93,705.00
10/21/2021	1,000	\$313.36	\$313,360.00
10/21/2021	150	\$313.99	\$47,098.50
10/21/2021	600	\$315.39	\$189,234.00
10/21/2021	100	\$316.77	\$31,677.00
11/8/2021	10,900	\$350.00	\$3,815,000.00
11/22/2021	264	\$313.50	\$82,764.00
11/22/2021	362	\$314.80	\$113,957.60
11/22/2021	440	\$316.17	\$139,114.80
11/22/2021	500	\$317.07	\$158,535.00
11/22/2021	629	\$318.43	\$200,292.47
11/22/2021	500	\$320.09	\$160,045.00
11/22/2021	248	\$321.16	\$79,647.68
11/22/2021	100	\$322.40	\$32,240.00
11/22/2021	100	\$326.40	\$32,640.00
11/22/2021	500	\$328.47	\$164,235.00
11/22/2021	206	\$330.39	\$68,060.34
11/22/2021	100	\$331.56	\$33,156.00
11/22/2021	314	\$333.40	\$104,687.60
11/22/2021	100	\$335.14	\$33,514.00
2/25/2022	1,207	\$173.87	\$209,861.09
5/23/2022	1,090	\$67.26	\$73,313.40
11/25/2022	1,818	\$44.39	\$80,701.02
2/2/2023	1,818	\$77.06	\$140,095.08
2/27/2023	1,438	\$59.11	\$85,000.18
2/27/2023	811	\$59.86	\$48,546.46
2/27/2023	76	\$60.63	\$4,607.88
3/20/2023	1,485	\$77.00	\$114,345.00
3/21/2023	840	\$77.04	\$64,711.08
5/25/2023	1,318	\$56.63	\$74,638.34
5/25/2023	320	\$57.29	\$18,332.80
5/25/2023	180	\$58.66	\$10,558.80

Totals:	252,688		\$65,710,435.29
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21. Defendant Alesia J. Haas (“Haas”) has served as Coinbase’s Chief Financial Officer (“CFO”) since April 2018. Defendant Haas is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Haas sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	180,500	\$381.00	\$68,770,500.00
4/14/2021	50,000	\$400.00	\$20,000,000.00
4/14/2021	8,513	\$420.06	\$3,575,970.78
4/14/2021	5,189	\$421.10	\$2,185,087.90
4/14/2021	6,683	\$423.01	\$2,826,975.83
4/14/2021	4,553	\$424.17	\$1,931,246.01
4/14/2021	62	\$424.88	\$26,342.56
11/22/2022	92,659	\$42.38	\$3,926,888.42
11/22/2022	11,200	\$43.02	\$481,824.00
11/22/2022	12,749	\$42.35	\$539,920.15
12/13/2022	37,538	\$44.61	\$1,674,570.18
12/13/2022	24,162	\$45.49	\$1,099,129.38
12/13/2022	30,300	\$46.04	\$1,395,012.00
12/27/2022	63,069	\$33.52	\$2,114,072.88
12/27/2022	30,931	\$34.46	\$1,065,882.26
1/10/2023	50,230	\$37.87	\$1,902,210.10
1/10/2023	31,039	\$39.29	\$1,219,522.31
1/10/2023	6,731	\$39.89	\$268,499.59
Totals:	646,108		\$115,003,654.35

22. Defendant Kathryn Haun (“Haun”) served as a member of the Board from May 2017 until June 2024. Defendant Haun is named as a defendant in the

Securities Class Action. As demonstrated by the chart below, Defendant Haun sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	73,572	\$350.35	\$25,775,950.20
4/14/2021	16,428	\$351.27	\$5,770,663.56
4/14/2021	35,200	\$350.34	\$12,331,968.00
4/14/2021	24,800	\$351.93	\$8,727,864.00
4/14/2021	46,188	\$381.00	\$17,597,628.00
4/14/2021	8,697	\$381.00	\$3,313,557.00
5/24/2021	9,522	\$225.24	\$2,144,735.28
5/24/2021	478	\$226.52	\$108,276.56
8/12/2021	2,571	\$256.25	\$658,818.75
8/12/2021	2,790	\$257.25	\$717,727.50
8/12/2021	3,148	\$258.21	\$812,845.08
8/12/2021	3,520	\$259.15	\$912,208.00
8/12/2021	2,000	\$260.21	\$520,420.00
8/12/2021	1,400	\$261.05	\$365,470.00
8/12/2021	1,271	\$262.48	\$333,612.08
8/12/2021	1,000	\$263.44	\$263,440.00
8/12/2021	800	\$264.58	\$211,664.00
8/12/2021	500	\$266.09	\$133,045.00
8/23/2021	2,417	\$263.00	\$635,671.00
11/23/2021	2,418	\$312.50	\$755,625.00
Totals:	238,720		\$82,091,189.01

23. Defendant Jennifer Jones (“Jones”) has served as Coinbase’s Chief Accounting Officer since July 2018. Defendant Jones is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Jones sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
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4/14/2021	60,000	\$381.00	\$22,860,000.00
4/14/2021	25,000	\$399.00	\$9,975,000.00
4/14/2021	25,000	\$424.00	\$10,600,000.00
8/12/2021	841	\$256.30	\$215,548.30
8/12/2021	777	\$257.43	\$200,023.11
8/12/2021	1,100	\$258.73	\$284,603.00
8/12/2021	800	\$259.95	\$207,960.00
8/12/2021	400	\$260.90	\$104,360.00
8/12/2021	300	\$262.11	\$78,633.00
8/12/2021	500	\$262.93	\$131,465.00
8/12/2021	200	\$265.12	\$53,024.00
8/23/2021	1,029	\$263.00	\$270,627.00
9/1/2021	796	\$260.39	\$207,270.44
10/5/2021	450	\$239.00	\$107,550.00
10/6/2021	346	\$249.00	\$86,154.00
10/25/2021	11,191	\$324.07	\$3,626,667.37
11/1/2021	796	\$324.60	\$258,381.60
11/22/2021	1,028	\$333.52	\$342,858.56
12/1/2021	796	\$318.60	\$253,605.60
1/3/2022	796	\$256.23	\$203,959.08
8/11/2022	4,512	\$97.24	\$438,746.88
8/24/2022	2,177	\$72.00	\$156,744.00
11/23/2022	2,175	\$43.85	\$95,373.75
2/23/2023	1,600	\$60.61	\$96,976.00
2/23/2023	2,427	\$61.80	\$149,988.60
2/23/2023	3,115	\$62.54	\$194,812.10
2/23/2023	1,055	\$63.93	\$67,446.15
6/2/2023	1,704	\$65.00	\$110,760.00
Totals:	150,911		\$51,378,537.54

24. Defendant Kelly A. Kramer (“Kramer”) has served as a member of the Board since December 2020. Kramer has served as Chair of the Audit Committee

since at least 2021. Defendant Kramer is named as a defendant in the Securities Class Action.

25. Defendant Tobias Lütke (“Lütke”) has served as a member of the Board since February 2022.

26. Defendant Gokul Rajaram (“Rajaram”) has served as a member of the Board since August 2020. Defendant Rajaram is named as a defendant in the Securities Class Action.

27. Defendant Fred Wilson (“Wilson”) has served as a member of the Board since January 2017. Wilson has served as a member of the Audit Committee since at least 2021. Defendant Wilson is named as a defendant in the Securities Class Action. As demonstrated by the chart below, Defendant Wilson sold shares of Coinbase at great profit while in possession of non-public information.

Date	Amount	Price	Proceeds
4/14/2021	3,755,323	\$388.89	\$1,460,403,430.61
4/14/2021	145,277	\$388.89	\$56,496,612.73
4/14/2021	570,372	\$388.89	\$221,811,339.67
4/14/2021	29,028	\$388.89	\$11,288,666.99
4/15/2021	168,736	\$330.01	\$55,684,111.77
4/15/2021	6,526	\$330.01	\$2,153,627.64
4/15/2021	25,749	\$330.01	\$8,497,357.97
4/15/2021	1,313	\$330.01	\$433,299.58
Totals:	4,702,324		\$1,816,768,446.96

28. The following defendants are collectively referenced herein as the “Individual Defendants:” Andreessen, Armstrong, Chatterjee, Choi, Ehram, Grewal, Haas, Haun, Jones, Kramer, Lütke, Rajaram, and Wilson.

29. The following Individual Defendants are collectively referenced herein as the “Director Defendants:” Andreessen, Armstrong, Ehram, Haun, Kramer, Lütke, Rajaram, and Wilson.

30. The following Individual Defendants are collectively referenced herein as the “Insider Trading Defendants:” Andreessen, Armstrong, Chatterjee, Choi, Ehram, Grewal, Haas, Haun, Jones, and Wilson.

31. The following Individual Defendants are collectively referenced herein as the “Audit Committee Defendants:” Ehram, Kramer, and Wilson.

32. The following Individual Defendants are collectively referenced herein as the “Securities Class Action Defendants:” Andreessen, Armstrong, Chatterjee, Ehram, Grewal, Haas, Haun, Jones, Kramer, Rajaram, and Wilson.

33. The Individual Defendants and Nominal Defendant are collectively referenced herein as “Defendants.”

**THE INDIVIDUAL DEFENDANTS OWE FIDUCIARY
DUTIES TO THE COMPANY AND ITS SHAREHOLDERS**

34. At all times relevant to this case, the conduct of the Individual Defendants was governed by well-recognized rules to protect the Company and its shareholders, the members of the public who had invested in Coinbase.

35. Because of their positions as officers and/or directors of the Company and their ability to control its business and corporate affairs, the Individual Defendants owed the Company and its shareholders the fiduciary obligations of good faith, loyalty, and candor and were and are required to use their utmost ability to control and manage the Company in a fair, just, honest, and equitable manner.

36. The Individual Defendants were and are required to act in furtherance of the best interests of the Company and its shareholders to benefit all shareholders equally and not in furtherance of their personal interest or benefit.

37. Each of the Company's directors owes to the Company and its shareholders fiduciary duties of care and loyalty, including good faith, oversight, and candor, to exercise good faith and diligence in the administration of the affairs of the Company and in the use and preservation of its property and assets.

38. Because of their positions of control and authority as directors and/or officers of the Company, the Individual Defendants were able to and did, directly and/or indirectly, exercise control over the wrongful acts alleged herein.

39. To discharge their duties, the Individual Defendants were required to exercise reasonable and prudent supervision over the management, policies, practices, and controls of the Company. By virtue of such duties, the officers and directors of Coinbase were required to do the following:

- Ensure that the Company complied with its legal obligations and requirements, including acting only within the scope of its legal authority and disseminating truthful and accurate statements to the SEC and the investing public;
- Conduct the affairs of the Company in a lawful, efficient, and business-like manner to make it possible for the Company to provide the highest quality performance of its business, to avoid wasting the Company's assets, and to maximize the value of the Company's stock;
- Properly and accurately inform investors and analysts as to the true financial condition of the Company at any given time, make accurate statements about the Company's financial results and prospects, and ensure that the Company maintained an adequate system of financial controls such that the Company's financial reporting would be true and accurate at all times;
- Remain informed as to how the Company conducted its operations, and, upon notice of imprudent or unsound conditions or practices, make reasonable inquiry into the nature and cause of such conditions and practices, correct such conditions or practices, and make such

disclosures as necessary to comply with federal and state securities laws; and

- Ensure that the Company was operated in a diligent, honest, and prudent manner in compliance with all applicable federal, state, and local laws, rules, and regulations.

40. The Individual Defendants knowingly violated their obligations as directors and officers of the Company, acting without good faith and consciously disregarding their duties to the Company and its shareholders despite their knowledge of the risk of serious injury to the Company.

41. Because of their positions of control and authority, the Individual Defendants were able to exercise control over the wrongful acts complained of herein, as well as the contents of the various public statements issued by Coinbase.

42. The Board has adopted Coinbase's Code of Business Conduct and Ethics (the "Code") to deter wrongdoing, which imposes additional duties and responsibilities on the Company's officers and directors, including:

- Act responsibly and exercise sound judgment with respect to the Company's finances and financial reporting. Investors rely on accurate and fair financial and business information to understand our financial results and make informed decisions.

- Record and report all financial transactions and business information honestly and accurately, to comply with the Company's system of internal controls and to follow applicable laws, regulations and accounting practices.
- The Company regularly files reports and other documents with regulatory authorities, including the SEC. In addition, the Company may make other public communications, such as press releases, from time to time.
- Depending upon the Company Member's position with the Company, the Company Member may be called upon to provide information to help ensure that the Company's public reports and communications are complete, fair, accurate and understandable. Company Members are expected to use all reasonable efforts to provide complete, accurate, objective, relevant, timely and understandable answers to inquiries related to the Company's public disclosures.
- Company Members involved in preparing public reports and communications must use all reasonable efforts to comply with the Company's disclosure controls and procedures.

- If any Company Member believes that any disclosure is materially misleading or if any Company Member becomes aware of any material information that such Company Member believes should be disclosed to the public, it is the Company Member's responsibility to bring this information to the attention of the Company's Chief Legal Officer. If the Company Member believes that questionable accounting or auditing conduct or practices have occurred or are occurring, the Company Member should follow the procedures set forth in the Company's Whistleblower Protection Policy.
- The Company's periodic reports and other documents filed with the SEC, including all financial statements and other financial information, must comply with applicable federal securities laws, and SEC rules. Any Company Member that contributes in any way to the preparation or verification of the Company's financial statements and other financial information, must ensure that our books, records, and accounts are accurately maintained. Such Company Members must also cooperate fully with the Company's finance department, as well as the Company's independent public accountants and counsel. Any Company Member that is involved in

the preparation of the Company's SEC reports or financial statements, must:

- i. Be familiar with and comply with the Company's disclosure controls and procedures and the Company's internal control over financial reporting.
 - ii. Take all necessary steps to ensure that all filings with the SEC and all other public communications about the Company's financial and business condition provide full, fair, accurate, timely, and understandable disclosure.
- Comply with all applicable international, federal, state, and local securities laws.
 - Comply with all applicable international, federal, state and local governmental laws, rules and regulations in the performance of his or her duties on the Company's behalf.

43. The Audit Committee Charter (the "Audit Charter") places additional duties and responsibilities upon the members of the Board's Audit Committee, which consisted of Ehram, Kramer, and Wilson during the Relevant Period.

44. Pursuant to the Audit Charter, the overarching duties of the Audit Committee and its members include the following:

Financial Statements and Disclosures

The Committee will:

1. Prior to distribution to the public, review and discuss with management and the Independent Auditors, the Company's quarterly and annual financial results, earnings press releases and earnings guidance provided to analysts and rating agencies, and other public announcements regarding the Company's operating results.
2. Review and discuss the following with management, the internal auditors (if any), and the Independent Auditors, as applicable:
 - the Company's annual audited and quarterly unaudited financial statements and annual and quarterly reports on Forms 10-K and 10-Q, including the disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the annual financial statements should be included in the Company's Annual Report on Form 10-K;
 - the results of the Independent Auditors' audit or review of the financial statements;
 - all critical audit matters (CAMs) proposed by the Independent Auditor to be included in the Independent Auditor's annual audit report;

- any items required to be communicated by the Independent Auditors in accordance with the applicable requirements of the Public Company Accounting Oversight Board (the “PCAOB”); and
- any significant issues, events and transactions as well as any significant changes regarding accounting principles, practices, policies, judgments or estimates.

Internal Controls

With respect to the Company’s internal controls, the Committee will:

1. Review and discuss with the Company’s management, its internal auditors (if any), and the Independent Auditors, and provide oversight over, the design, implementation, adequacy and effectiveness of the Company’s accounting and financial processes and systems of internal controls and material changes in such controls, including any control deficiencies, significant deficiencies and material weaknesses in their design or operation.
2. Review any allegations of fraud that are disclosed to the Committee involving management or any employee of the

Company with a significant role in the Company's accounting and financial reporting process and systems of internal controls.

3. Discuss any comments or recommendations of the Independent Auditors outlined in their annual management letter or internal control reports.
4. Periodically consult with the Independent Auditors out of the presence of the Company's management about internal controls, the fullness and accuracy of the Company's financial statements and any other matters that the Committee or the Independent Auditors believe should be discussed privately with the Committee.
5. Establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (b) the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. Oversee the review of any such complaints and submissions that have been received, including the current status and the resolution if one has been reached.

* * *

Risk Oversight and Compliance

The Committee will:

1. Review with management the Company's major financial risks and enterprise exposures and the steps management has taken to monitor or mitigate such risks and exposures, including the Company's procedures and any related policies with respect to risk assessment and risk management.
2. Review with management the Company's cybersecurity and other information technology risks, controls and procedures, including the Company's plans to mitigate cybersecurity risks and respond to data breaches.
3. Review with management the Company's risk exposures in other areas, including credit, operational, technology, legal and compliance risk and any related policies, as the Committee deems necessary or appropriate from time to time.
4. Receive, as and when appropriate, reports and recommendations from management on risk tolerance, oversee the Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels.

5. Review or discuss any comments or recommendations of outside counsel or outside experts with regard to risk and compliance, and, if appropriate, make recommendations to the Board regarding a schedule for implementing any recommended changes and monitor compliance with any such Board approved schedule.
6. Review with management the Company's (a) programs for promoting and monitoring compliance with applicable legal and regulatory requirements, and (b) major legal and regulatory compliance risk exposures and the steps management has taken to monitor or mitigate such exposures.
7. Review the status of any significant legal and regulatory matters and any material reports or inquiries received from regulators or government agencies that reasonably could be expected to have a significant impact on the Company's financial statements.

SUBSTANTIVE ALLEGATIONS

Background

45. Coinbase is a digital assets exchange platform. The Company's business is based on an end-to-end financial infrastructure platform, which the Company refers to as its "flywheel"—a self-reinforcing loop in which the platform

improves and expands with each new user and each new asset, in turn attracting more users and assets.

46. The Company principally makes money from the transaction fees paid by customers to buy and sell cryptocurrency assets, like Bitcoin and Ethereum, on the Company's platform, and by serving as a cryptocurrency custodian. As a custodian, Coinbase offers customers various options to store their assets with the Company.

47. Against this backdrop, Armstrong announced his plan in January 2021 to take Coinbase public through a direct listing (the "Direct Listing"). An alternative to a traditional Initial Public Offering ("IPO"), in a direct listing, the company's insiders or existing shareholders sell stock directly to the public.

48. Coinbase went public through the Direct Listing on April 14, 2021, with a nearly \$100 billion valuation.

The Individual Defendants Breach Their Fiduciary Duties to the Company and its Shareholders

49. Through a series of communications, the Individual Defendants made materially false and misleading statements and failed to disclose material adverse facts about the Company's business, operations, and prospects.

A. Misrepresentations and Omissions Concerning the Risk of Asset Loss in the Event of a Bankruptcy and the Potential Impact on Coinbase’s Revenues

50. On February 25, 2021, Coinbase filed its initial Registration Statement with the SEC on Form S-1. On March 23, 2021, Coinbase filed its final amendment to the Registration Statement with the SEC on Form S-1/A, which forms part of the Registration Statement. The Registration Statement was deemed effective by the SEC on April 1, 2021.

51. On April 14, 2021, Coinbase filed its Form 424B3 Prospectus, (together, with the Registration Statement, the “Offering Materials”). In the Offering Materials, the Individual Defendants purported to warn prospective investors about the risks arising from Coinbase’s safeguarding of customers’ assets and potential for loss stating, *“our failure to safeguard and manage our customers’ fiat currencies and crypto assets could adversely impact our business, operating results and financial condition.”*²

52. The Offering Materials denoted that:

The loss or destruction of private keys required to access any crypto asset held in custody for our own account or for our customers may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to our ability to access any crypto assets, it could cause regulatory scrutiny, reputational harm, and other losses. . .

² Unless otherwise noted, all emphasis is added.

Crypto assets and blockchain technologies have been, and may in the future be, subject to security breaches, hacking, or other malicious activities. Any loss of private keys relating to, or hack or other compromise of, digital wallets used to store our customers' crypto assets could adversely affect our customers' ability to access or sell their crypto assets, require us to reimburse our customers for their losses, and subject us to significant financial losses in addition to losing customer trust in us and our products.

53. Under the heading "Crypto asset wallets," the Offering Materials stated that the Company was purportedly "committed to securely store all crypto assets it holds on behalf of users. As such, the Company may be liable to its users for losses arising from theft or loss of user private keys."

54. The Offering Materials also stated as follows with respect its retail users:

Stake. Certain blockchain protocols, such as Tezos, rely on staking, an alternative way to validate blockchain transactions. Network participants can designate a certain amount of their crypto assets on the network as a stake (similar to a security deposit) to validate transactions and get rewarded in kind from the network. Today, staking crypto assets is a technical challenge for most users. Staking independently requires a participant to run their own hardware, software, and maintain close to 100% up-time. We provide a service known as "Delegated Proof of Stake," which reduces the complexities of staking and ***allows our retail users to maintain full ownership of their crypto assets while earning staking rewards.*** In return, we earn a commission on all staking rewards received.

55. On May 13, 2021, Coinbase held an earnings call to announce the Company's first quarter 2021 financial results. In response to an analyst's question regarding "Coinbase's strategy to deal with other exchanges with cheaper fees" and that "[a]part from pricing what other levers can [the Company] pull to attract more customers," Defendant Haas stated the following:

So just to be clear, our biggest focus right now is to keep up with the current demand. We are not focused on competing with fees. We are not trying to even win on fees. We're trying to win on being the most trusted, easiest to use, on providing all the assets that our customers want to transact with. On being able to provide to yield on crypto assets, the opportunity to engage in DeFi, as Brian just talked about. ***Our customers choose us because they trust us to keep their assets safe.*** We provide an easy-to-use platform and a growing number of ways to transact and use crypto assets. Our institutions are choosing us for our secure storage as well, offered by our custody solution, the deep liquidity we offer on our exchange, and our best trading execution, where we are able to route orders across more than 10 liquidity venues, including other exchanges, to find the best price to execute client orders. ***On the retail side, we're bundling custody and storage services into our trading fee. And our customers really see value in the fees that we provide based on the services.***

56. On May 14, 2021, Coinbase filed its first quarter financial results on Form 10-Q with the SEC (the "1Q21"). The 1Q21 was signed by Defendants Armstrong and Haas. Therein, the Company purported to advise investors that the Company's "***failure to safeguard and manage our customers' fiat currencies and***

crypto assets could adversely impact our business, operating results and financial condition.”

57. The 1Q21 also stated as follows with respect to the possible destruction of private keys:

The loss or destruction of private keys required to access any crypto assets held in custody for our own account or for our customers may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to our ability to access any crypto assets, it could cause regulatory scrutiny, reputational harm, and other losses.

58. Under the heading “Crypto asset wallets,” the 1Q21 reiterated that the Company was purportedly “committed to securely stor[ing] all crypto assets it holds on behalf of users. As such, the Company may be liable to its users for losses arising from theft or loss of user private keys.”

59. On August 10, 2021, Coinbase filed its second quarter 2021 financial results on Form 10-Q with the SEC (“2Q21”), signed by Defendants Armstrong and Haas. Therein, the Company purported to warn investors that the Company’s *“failure to safeguard and manage our customers’ fiat currencies and crypto assets could adversely impact our business, operating results and financial condition.”*

60. The 2Q21 also stated as follows with respect to the possible destruction of private keys:

The loss or destruction of private keys required to access any crypto assets held in custody for our own account or for our

customers may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to our ability to access any crypto assets, it could cause regulatory scrutiny, reputational harm, and other losses.

61. Under the heading “Crypto asset wallets,” the 2Q21 reiterated the statements that the Company was purportedly “committed to securely stor[ing] all crypto assets it holds on behalf of users. As such, the Company may be liable to its users for losses arising from theft or loss of user private keys.”

62. On November 10, 2021, Coinbase filed its third quarter financial results on Form 10-Q with the SEC, signed by Defendants Armstrong and Haas (the “3Q21”). Therein, the Company, once again, purported to warn investors that the Company’s ***“failure to safeguard and manage our customers’ fiat currencies and crypto assets could adversely impact our business, operating results and financial condition.”***

63. The 3Q21 also stated as follows with respect to the possible destruction of private keys:

The loss or destruction of private keys required to access any crypto assets held in custody for our own account or for our customers may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to our ability to access any crypto assets, it could cause regulatory scrutiny, reputational harm, and other losses.

64. Under the heading “Crypto asset wallets,” the 3Q21 repeated that the Company was purportedly “committed to securely stor[ing] all crypto assets it holds

on behalf of users. As such, the Company may be liable to its users for losses arising from theft or loss of user private keys.”

65. On February 25, 2022, Coinbase filed its fourth quarter and full year financial results on Form 10-K with the SEC (the “10K21”), which was signed by Defendants Armstrong, Haas, Jones, Andreessen, Ehram, Haun, Kramer, Lütke, Rajaram, and Wilson. Therein, the Company purported to warn investors about the ***“failure to safeguard and manage our customers’ fiat currencies and crypto assets could adversely impact our business, operating results and financial condition.”***

66. The 10K21 also stated as follows with respect to the possible destruction of private keys:

[T]he theft, loss or destruction of private keys required to access any crypto assets held in custody for our own account or for our customers may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to our ability to access any crypto assets, it could cause regulatory scrutiny, reputational harm, and other losses.

67. Under the heading “Crypto asset wallets,” the 10K21 restated that the Company was purportedly “committed to securely stor[ing] all crypto assets it holds on behalf of users. As such, the Company may be liable to its users for losses arising from theft or loss of user private keys.”

68. The 10K21 also stated as follows regarding the Company’s retail users:

We serve as the users’ primary crypto account, both hosted and self-hosted – providing safe, trusted, and easy-to-use tools to

discover, invest, stake, store, spend, earn, borrow, and use crypto assets.

We provide our retail users a hosted wallet which allows them to securely and easily discover, buy, sell, send and receive 139 crypto assets with a growing number of fiat currencies or to trade one crypto asset for another crypto asset. In our hosted wallet, we provide custody services on our customer's behalf. We charge a fee when users buy, sell, or convert crypto assets in either a fiat-to- crypto or crypto-to-crypto trade. . . . We also provide services to allow our customers to participate in blockchain rewards paid by underlying protocols. The largest of these is staking where we offer a service known as Delegated Proof of Stake, *which reduces the complexities of staking and allows our retail users to maintain full ownership of their crypto assets while earning staking rewards*. In return, we receive a commission on all staking rewards earned.

Coinbase Wallet, a separately managed retail software product, allows users to self-custody crypto assets and NFTs in one place and interact with the cryptoeconomy and Web3, including an expanded set of approximately 5,500 crypto assets and decentralized applications. A fee is charged for select activities executed in the self-hosted wallet.

69. These representations contained untrue statements and omissions of material fact that rendered the statements misleading. By deciding to speak about the risks arising from Coinbase's "failure to safeguard and manage [its] customers' fiat currencies and crypto assets," the Individual Defendants had a fiduciary duty to speak completely and accurately, including to disclose that there was a heightened risk that in the event of a bankruptcy, the crypto assets held in custody by Coinbase

on its customers' behalf may be considered the property of the Company's bankruptcy estate. This meant Coinbase's retail customers could be treated as general unsecured creditors.

70. The Company also discussed the significance of private keys to the security of crypto assets stating that the “the loss or destruction of private keys required to access any crypto assets held in custody for our own account or for our customers may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to our ability to access any crypto assets, it could cause regulatory scrutiny, reputational harm, and other losses.” By identifying this risk, the Individual Defendants knew they had not taken steps to protect the Company's retail customers' assets from potential bankruptcy risks. By placing the safety of customers' assets “in play” through the statements described above, the Individual Defendants had a duty to disclose all material facts which includes the duty to disclose the heightened risks that its retail customers' assets faced in the event of bankruptcy.

71. Indeed, the Individual Defendants knew about the bankruptcy risk because Coinbase specifically addressed the bankruptcy risk in the context of its custodial services to institutional investors. On June 11, 2019, Coinbase Custody, a wholly owned subsidiary of Coinbase, submitted a Comment Letter to the SEC (the “June 2019 Comment Letter”) regarding a proposal by another exchange to list

shares of a certain crypto asset. In that letter, Coinbase Custody affirmed that certain members of the Company had “review[ed] all custodied digital assets for adherence to appropriate regulatory and risk criteria.” With respect to segregating assets in custodial storage, the June 2019 Comment Letter stated that “Coinbase Custody wallet addresses are completely segregated per client” and that “[a]ll client digital assets are held in trust for the benefit of clients and are segregated from both (i) the proprietary property of Coinbase Custody and its affiliates, and (ii) the assets of any other Coinbase Custody client.” The Company understood the potential adverse consequences of commingling customer assets in the event of bankruptcy. As a result, Coinbase took steps to mitigate the potential bankruptcy risks to institutional customers’ assets by not commingling assets.

72. On May 10, 2022, the Company revealed the truth that crypto assets held in custody by the Company on behalf of retail customers could be treated as Company assets in the event of bankruptcy, such that customers could lose their ownership interests. In the Company’s 1Q22, Coinbase amended its quarterly warning regarding the “failure to safeguard and manage our customers’ fiat currencies and crypto assets” and revealed that “*the crypto assets we hold in custody on behalf of our customers could be subject to bankruptcy proceedings and such customers could be treated as our general unsecured creditors.*” In relevant part, the 1Q22 stated:

Our failure to safeguard and manage our customers' fiat currencies and crypto assets could adversely impact our business, operating results, and financial condition.

As of March 31, 2022, we held \$256 billion in custodial fiat currencies and cryptocurrencies on behalf of customers. Supported crypto assets are not insured or guaranteed by any government or government agency. . . . Our success and the success of our offerings requires significant public confidence in our and our partners' ability to properly manage customers' balances and handle large and growing transaction volumes and amounts of customer funds.

* * *

Moreover, because custodially held crypto assets may be considered to be the property of a bankruptcy estate, in the event of a bankruptcy, the crypto assets we hold in custody on behalf of our customers could be subject to bankruptcy proceedings and such customers could be treated as our general unsecured creditors. This may result in customers finding our custodial services more risky and less attractive and any failure to increase our customer base, discontinuation or reduction in use of our platform and products by existing customers as a result could adversely impact our business, operating results, and financial condition.

73. On the same day, May 10, 2022, Defendant Armstrong tweeted that Coinbase had failed to appropriately communicate this risk to investors. The tweet stated:

For our retail customers, we're taking further steps to update our user terms such that we offer the same protections to those customers in a black swan event. We should have had these in place previously, so let me apologize for that.

This disclosure makes sense in that these legal protections have not been tested in court for crypto assets specifically, and it is possible, however unlikely, that a court would decide to consider customer assets as part of the company in bankruptcy proceedings.

We should have updated our retail terms sooner, and we didn't communicate proactively when this risk disclosure was added. My deepest apologies, and a good learning moment for us as we make future changes.

74. On this news, the Company's stock fell \$19.27 per share, or over 26%, to close at \$53.72 per share on May 11, 2022.

B. Misrepresentations and Omissions Concerning Coinbase's Regulatory Risk and Whether Coinbase Listed Unregistered Securities

75. Along with transaction and custody services, Coinbase offered users the opportunity to "stake" their crypto assets with the Company throughout the Relevant Period. Coinbase participates in the "proof-of-stake" mechanism, and in turn, Coinbase received "rewards" for participating in the validation process on the blockchain.

76. By the spring of 2022, the SEC was actively investigating Coinbase for potential violations of federal securities laws, including whether the Company listed or permitted securities on its platform without registering with the SEC. At every opportunity, Coinbase emphatically denied doing so. Coinbase further denied that Coinbase's staking business implicated potential violations of the securities laws.

77. On August 9, 2022, the Company filed a quarterly report on Form 10-Q with the SEC, for its second fiscal quarter of 2022 (the "2Q22"). The 2Q22 stated under a section titled "Legal and regulatory proceedings" as follows:

The Company has received investigative subpoenas from the SEC for documents and information about certain customer programs, operations, and intended future products, including the Company's stablecoin and yield-generating products. Based on the ongoing nature of this matter, the outcome remains uncertain and the Company cannot estimate the potential impact, if any, on its business or financial statements at this time.

78. The 2Q22 also stated:

[A] particular crypto asset's status as a 'security' in any relevant jurisdiction is subject to a high degree of uncertainty and if we are unable to properly characterize a crypto asset, ***we may be*** subject to regulatory scrutiny, inquiries, investigations, fines, and other penalties, which may adversely affect our business, operating results, and financial condition.

79. By no later than May 2022, the Company knew that the SEC had turned its focus to Coinbase and that the SEC was investigating whether the Company was listing unregistered securities in violation of federal securities laws. Specifically, the SEC had served Coinbase with "a request for information about its asset listings process" and was also actively investigating a Coinbase employee for insider trading, *i.e.*, illegally sharing and trading on material nonpublic information about digital assets the SEC had determined were "securities" under existing securities laws.

80. On July 21, 2022, the Company published a blog post entitled, *Coinbase does not list securities. End of story.* Therein, Defendant Grewal made the following statements:

- “Coinbase does not list securities. End of story.”
- “TLDR: Coinbase does not list securities on its platform. Period. We have said it before, but given today’s events, it bears repeating.”
- “Seven of the nine assets included in the SEC’s charges are listed on Coinbase’s platform. None of these assets are securities. Coinbase has a rigorous process to analyze and review each digital asset before making it available on our exchange – a process that the SEC itself has reviewed.”
- “But in the absence of a concrete digital asset securities regulatory framework from the SEC, we remain confident that Coinbase’s rigorous review process keeps securities off Coinbase’s platform.”

81. On July 25, 2022, Defendant Grewal tweeted, “I’m happy to say it again and again: we are confident that our rigorous diligence process—a process the SEC has already reviewed—keeps securities off our platform.”

82. On August 9, 2022, Coinbase held its second quarter financial results earnings call. During the call, the following exchange occurred between an analyst and Defendant Haas:

[Analyst:] Maybe just one follow-up, just regarding the SEC. You noted in the shareholder letter that those three individuals were charged by the SEC with insider trading. In that SEC filing, the SEC noted that nine of those 25 crypto assets were deemed securities under Howey, and just gave more color regarding each

of those nine. I guess from a legal perspective, are you viewing that as more detailed guidance from the SEC? And therefore, are you incorporating that already into your crypto asset listing process at this point?

[Haas:] Thanks for that question. So we absolutely take everything the SEC says into consideration when we look at our listing framework, and we look at these assets. ***We do not believe at this time that the assets that we listed on our platform are securities. Despite the additional information on these nine assets, based on our assessment these nine assets are not securities.*** We have filed a petition with the SEC because we do believe that there is additional clarity needed for all market participants to have very clear rules on what is or what is not a security for crypto assets. And we've pointed out a lot of the challenges that there are with interpreting Howey, and questions that we would benefit by having the SEC more clearly articulate to the market so we can all have the same assessment of each digital asset security. ***But at this time we do not list securities.*** We look forward to a more productive conversation with the SEC on these topics.

83. On February 8, 2023, Defendant Grewal tweeted that “[s]taking is not a security.”

84. On the same day, Defendant Armstrong tweeted that “[w]e’re hearing rumors that the SEC would like to get rid of crypto staking in the U.S. for retail customers. I hope that’s not the case as I believe it would be a terrible path for the U.S. if that was allowed to happen.”

85. On February 10, 2023, in response to news that rival Kraken had agreed to discontinue its crypto asset staking business and pay a \$30 million fine to settle

the SEC’s charges against it, Coinbase published a blog post titled, *Coinbase’s staking services are not securities. And here’s why*. Therein, the Company stated:

- “Tldr: ***Staking is not a security under the US Securities Act, nor under the Howey test.*** Trying to superimpose securities law onto a process like staking doesn’t help consumers at all and instead imposes unnecessarily aggressive mandates that will prevent US consumers from accessing basic crypto services and push users to offshore, unregulated platforms.”
- “[O]ur staking products are not securities.”
- “Is staking a security? To put it simply, no. Staking is not a security under the US Securities Act, nor under the Howey test, which the SEC uses to determine whether an investment contract is a security[.]”

86. On February 12, 2023 Defendant Armstrong tweeted that “Coinbase’s staking services are not securities. We will happily defend this in court if needed.”

87. On February 23, 2023, Coinbase filed its fourth quarter and full year 2022 financial results with the SEC on Form 10-K (the “10K22”), which was signed by Defendants Armstrong, Haas, Jones, Andreessen, Ehram, Haun, Kramer, Lütke, Rajaram, and Wilson. Therein, Coinbase stated:

The Company has received investigative subpoenas and requests from the SEC for documents and information about certain customer programs, operations, and existing and intended future

products, including the Company’s processes for listing assets, the classification of certain listed assets, its staking programs, and its stablecoin and yield-generating products. Based on the ongoing nature of these matters, ***the outcomes remain uncertain and the Company cannot estimate the potential impact, if any, on its business or financial statements at this time.***

88. On March 1, 2023, Defendant Armstrong participated in an interview with *Bloomberg Television* and stated that: “[o]ur staking product is not a security....”

89. On March 22, 2023, the Company received a Wells Notice from the SEC. In response to the Wells Notice, the Company published a blog post titled, *We asked the SEC for reasonable crypto rules for Americans. We got legal threats instead.* Therein, Defendant Grewal stated that “***Coinbase does not list securities***” and “[t]he bottom line remains: ***Coinbase does not list securities or offer products to our customers that are securities.***” Grewal further stated that the Company’s “staking services are not securities ***under any legal standard, including the Howey test which assesses whether a product is an investment contract.***”

90. After the market closed on March 22, 2023, Coinbase filed a Form 8-K with the SEC revealing that it had received a Wells Notice from the SEC earlier that day. Therein, the Company stated:

On March 22, 2023, Coinbase Global, Inc. and Coinbase, Inc. (collectively, the “Company”) received a “Wells Notice” from the Staff (“Staff”) of the Securities and Exchange Commission (“SEC”) stating that the Staff has advised the Company that it made a “preliminary

determination” to recommend that the SEC file an enforcement action against the Company alleging violations of the federal securities laws, including the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Securities Act of 1933, as amended (the “Securities Act”). Based on discussions with the Staff, the Company believes these potential enforcement actions would relate to aspects of the Company’s spot market, staking service Coinbase Earn, Coinbase Prime and Coinbase Wallet.

91. Finally, on June 6, 2023, the SEC Action was filed against Coinbase, alleging that the Company had violated the federal securities laws by listing unregistered securities and by failing to register “with the SEC as a broker, national securities exchange, or clearing agency, thus evading the disclosure regime that Congress has established for our securities markets.”

92. According to the SEC Action, “Coinbase made available on the Coinbase Platform crypto assets with high ‘risk’ scores under the CRC framework it had adopted,” and the Company chose to list these assets on its platform “even where it recognized the crypto assets had the characteristics of securities.”

93. On August 4, 2022, the Securities Class Action was filed. The Securities Class Action alleges that throughout the class period of April 14, 2021 and June 5, 2023, the defendants made materially false and/or misleading statements, failing to disclose material adverse facts about the Company’s business, operations, and prospects.

94. In an Opinion dated September 5, 2024, the court in the Securities Class Action denied Coinbase’s motion to dismiss in a 50-page Opinion. The court held,

among other things, that the (1) defendants had a duty to disclose the bankruptcy risk to customers' assets and that the omissions regarding the bankruptcy risk to retail customers are actionable and material misrepresentations; and (2) defendants knowingly downplayed the likelihood that the SEC would bring an enforcement action. The court held that the misstatements regarding bankruptcy risk and the regulatory statements were made with scienter. Lastly, the court held that the plaintiffs' allegations that the defendants were financially motivated to artificially inflate Coinbase's stock further support a strong inference of scienter.

95. The Securities Class Action is now in fact discovery.

THE COMPANY'S BOARD MINUTES

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[REDACTED]

[REDACTED]

³ COINBASE_SARDA_000001.

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⁴ COINBASE_SARDA_000002.

⁵ *Id.*

⁶ COINBASE_SARDA_000012.

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⁷ COINBASE_SARDA_000013.

⁸ COINBASE_SARDA_000028.

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⁹ COINBASE_SARDA_000029.

¹⁰ *Id.*

¹¹ COINBASE_SARDA_000030.

¹² COINBASE_SARDA_000964.

¹³ COINBASE_SARDA_000970.

¹⁴ COINBASE_SARDA_001014.

¹⁵ COINBASE_SARDA_001016.

¹⁶ *Id.*

[REDACTED]

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[REDACTED]

[REDACTED]

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¹⁷ *Id.*

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ COINBASE_SARDA_001016.

²² *Id.*

²³ COINBASE_SARDA_001094.

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²⁵ COINBASE_SARDA_000034.

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²⁶ COINBASE_SARDA_000035.

²⁷ *Id.*

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²⁸ COINBASE_SARDA_000064.

²⁹ COINBASE_SARDA_000066.

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[REDACTED]

[REDACTED]

[REDACTED]

³⁰ COINBASE_SARDA_001501.

³¹ COINBASE_SARDA_001549.

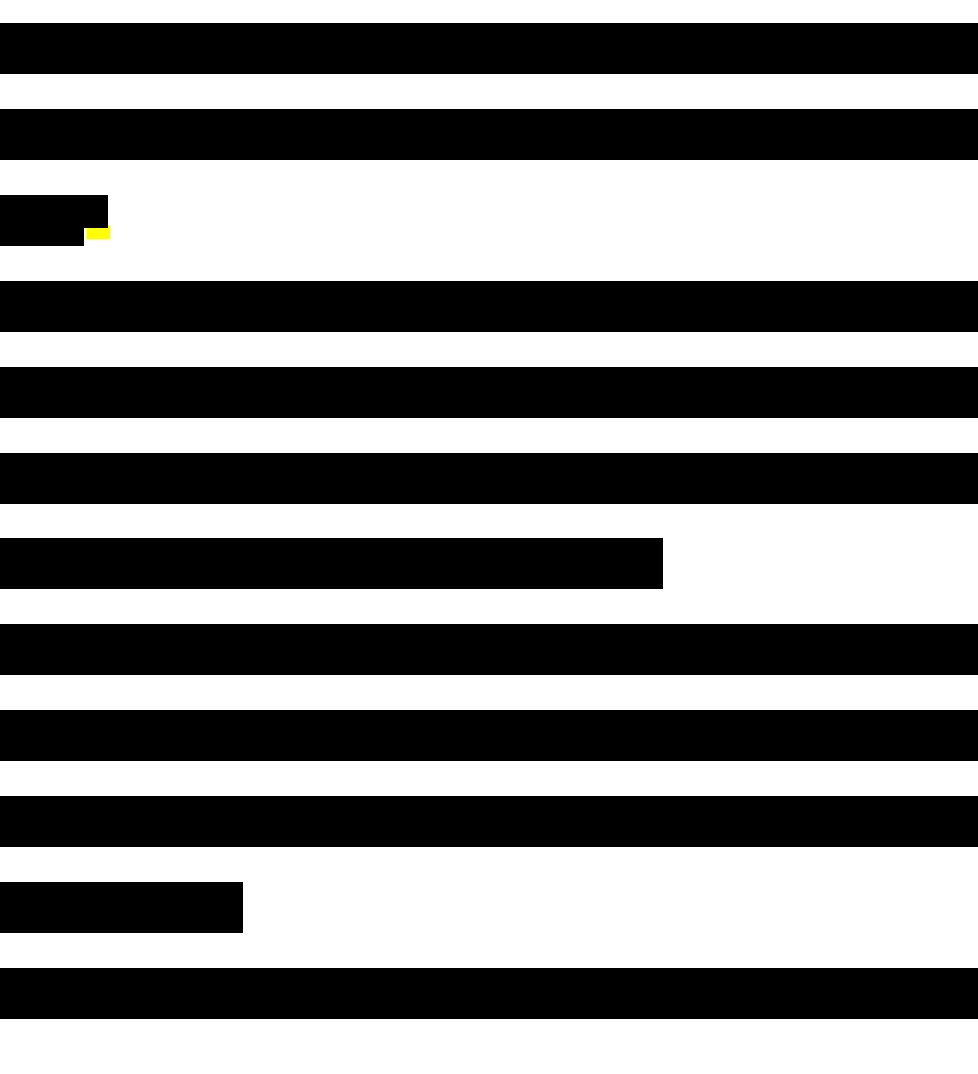
³² COINBASE_SARDA_001549.

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ *Id.*



³⁷ *Id.*

38 *Id.*

³⁹ COINBASE_SARDA_001557.

⁴⁰ COINBASE_SARDA_000068.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁴¹ COINBASE_SARDA_000069.

⁴² *Id.*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁴³ COINBASE_SARDA_000074.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁴⁴ *Id.*

⁴⁵ COINBASE_SARDA_000079.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁴⁶ *Id.*

⁴⁷ *Id.*

⁴⁸ *Id.*

⁴⁹ COINBASE_SARDA_0000107.

[REDACTED]

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██████████

⁵⁰ COINBASE_SARDA_0000108.

51 *Id.*

⁵² COINBASE_SARDA_0000112.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁵³ COINBASE_SARDA_000113.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁵⁴ COINBASE_SARDA_000115.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

⁵⁵ *Id.*

⁵⁶ COINBASE_SARDA_000116.

⁵⁷ COINBASE_SARDA_000118.

⁵⁸ *Id.*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**THE INDIVIDUAL DEFENDANTS' MISCONDUCT
DIRECTLY AND PROXIMATELY CAUSES DAMAGES TO COINBASE**

133. As a direct and proximate result of the Individual Defendants' conduct, Coinbase has been seriously harmed and will continue to be. Such harm includes, but is not limited to, legal fees the Company has paid in connection with the Securities Class Action and the SEC Action.

134. As a direct and proximate result of the Individual Defendants' actions as alleged above, Coinbase's market capitalization has been substantially damaged, losing millions of dollars in value because of the misconduct described herein.

135. Lastly, the actions of the Individual Defendants have irreparably damaged Coinbase's corporate image and goodwill. For at least the foreseeable future, Coinbase will suffer from what is known as the "liar's discount," a term applied to the stocks of companies that have been implicated in illegal behavior and

have misled the investing public, such that Coinbase's ability to raise equity capital or debt on favorable terms in the future is now impaired.

DEMAND IS FUTILE

136. Plaintiffs incorporate by reference and reallege each and every allegation set forth above as though fully set forth herein.

137. Plaintiffs bring this action derivatively in the right and for the benefit of the Company to redress the Individual Defendants' breaches of fiduciary duties.

138. Plaintiffs are owners of Coinbase common stock and were owners of Coinbase common stock at all times relevant hereto.

139. Plaintiffs will adequately and fairly represent the interests of the Company and its shareholders in enforcing and prosecuting the Company's rights.

140. At the time Plaintiffs commenced this action, the Board consisted of ten directors, of whom seven were the Director Defendants: Andreessen, Armstrong, Ehrsam, Kramer, Lütke, Rajaram, and Wilson. The Director Defendants are incapable of making an independent and disinterested decision to institute and vigorously prosecute this action.

141. The Director Defendants all face a substantial likelihood of liability for their individual misconduct. The Director Defendants were directors throughout the time of the false and misleading statements and, as such, had a fiduciary duty to ensure the accuracy of the Company's SEC filings, press releases, and other public

statements and presentations concerning Coinbase's business, operations, prospects, internal controls, and regulatory risk.

142. Moreover, the Director Defendants owed and owe a duty to, in good faith and with due diligence, exercise reasonable inquiry, oversight, and supervision to ensure that the Company's internal controls were sufficiently robust and effective and were being implemented effectively, and to ensure that the Board's duties were being discharged in good faith and with the required diligence and due care. Instead, the Director Defendants knowingly and consciously reviewed, authorized, and/or caused the publication of the materially false and misleading statements discussed above that caused the Company's stock to trade at artificially inflated prices.

143. The Director Defendants face a substantial likelihood of personal liability because of their conscious and knowing authorization of false and misleading statements, failure to timely correct such statements, failure to take necessary and appropriate steps to ensure that the Company's internal controls were sufficiently robust and effective and were being implemented effectively, failure to take necessary and appropriate steps to ensure that the Board's duties were being discharged in good faith and with the required diligence constitute breaches of the fiduciary duties of loyalty and good faith, for which the Director Defendants face a substantial likelihood of liability.

144. Demand on Armstrong, Ehram, Wilson, and Andreessen is also excused because they face a substantial likelihood of liability for breach of fiduciary duty for their insider trading. These defendants knowingly used material adverse non-public information to sell Coinbase stock for their personal gain.

145. Defendant Armstrong further lacks the independence required to impartially consider a demand because he is a founder of Coinbase and serves as Coinbase's CEO. In its SEC filings, the Company admits that Armstrong is not independent. As the Company's CEO, Armstrong receives millions of dollars in executive compensation. This amount is material to Defendant Armstrong, and therefore, he would not be able to impartially consider a demand against Defendants Haun, Kramer, Rajaram, and Wilson who are members of the Compensation Committee, and who approve his executive compensation. His position as CEO, pursuant to which he receives millions of dollars in compensation, depends upon remaining in the good graces of the Board, particularly the Compensation Committee, and thus there is a reasonable doubt that he would act against them.

146. Defendants Armstrong and Ehram are not disinterested or independent because they co-founded the Company together and thus have an intertwined relationship with one another.

147. Furthermore Defendants Andreessen, Armstrong, Ehram, Kramer, Rajaram, and Wilson are incapable of considering a demand to commence and

vigorously prosecute this action because they each face additional substantial likelihood of liability as named defendants in the Securities Class Action. Thereby, Andreessen, Armstrong, Ehram, Haun, Kramer, Rajaram, and Wilson face significant personal liability in the Securities Class Action based on substantially the same wrongdoing as alleged herein, specifically issuing materially false and misleading statements during the Relevant Period.

148. Lastly, the Audit Committee Defendants (Ehram, Kramer, and Wilson), as members of the Audit Committee during the Relevant Period and pursuant to the Audit Committee Charter, were specifically charged with the responsibility of assisting the Board in fulfilling its oversight responsibilities related to internal controls, legal and regulatory compliance, and public disclosure requirements. These defendants breached their fiduciary duties to the Company by failing to prevent, correct, or inform the Board of the issuance of material misstatements and omissions regarding material deficiencies in the Company's compliance and the adequacy of the Company's internal controls regarding public disclosures, as alleged. Therefore, Defendants Ehram, Kramer, and Wilson cannot independently consider any demand.

COUNT I

Against the Individual Defendants for Breach of Fiduciary Duties

149. Plaintiffs incorporate by reference and reallege each and every allegation set forth above as though fully set forth herein.

150. Each Individual Defendant owed to the Company the duty to exercise candor, good faith, and loyalty in the management and administration of Coinbase's business and affairs.

151. Each of the Individual Defendants violated and breached his or her fiduciary duties of candor, good faith, loyalty, reasonable inquiry, oversight, and supervision.

152. The Individual Defendants' conduct set forth herein was due to their intentional or reckless breach of the fiduciary duties they owed to the Company. The Individual Defendants intentionally or recklessly breached or disregarded their fiduciary duties to protect the rights and interests of Coinbase.

153. In breach of their fiduciary duties owed and owe to Coinbase, the Individual Defendants failed to disclose to investors: (1) substantial, material risks associated with Coinbase's ability to safeguard its customers' crypto assets in the event of bankruptcy; and (2) the true regulatory risk facing Coinbase.

154. Accordingly, Coinbase's public statements were materially false, misleading, and lacked a reasonable basis during the Relevant Period, thereby causing the stock to trade at artificially inflated prices.

155. The Individual Defendants failed to and caused the Company to fail to rectify any of the wrongs described herein or correct the false and misleading

statements and omissions of material fact referenced herein, thereby, rendering themselves personally liable to the Company for breaching their fiduciary duties.

156. Also, in breach of their fiduciary duties, the Individual Defendants failed to maintain an adequate system of oversight, disclosure controls and procedures, and internal controls.

157. The Individual Defendants had actual or constructive knowledge that the Company issued materially false and misleading statements, and they failed to correct the Company's public statements. The Individual Defendants had actual knowledge of the misrepresentations and omissions of material facts set forth herein or acted with reckless disregard for the truth in that they failed to ascertain and disclose such facts, even though such facts were available to them. Such material misrepresentations and omissions were committed knowingly or recklessly and for the purpose and effect of artificially inflating the price of the Company's securities.

158. The Individual Defendants had actual or constructive knowledge that they had caused the Company to improperly engage in the wrongdoing set forth herein and to fail to maintain adequate internal controls. The Individual Defendants had actual knowledge that the Company was engaging in the wrongdoing set forth herein, and that internal controls were not adequately maintained or acted with reckless disregard for the truth in that they caused the Company to improperly engage in the wrongdoing and to fail to maintain adequate internal controls, even

though such facts were available to them. Such improper conduct was committed knowingly or recklessly and for the purpose and effect of artificially inflating the price of the Company's securities. The Individual Defendants, in good faith, should have taken appropriate action to correct the schemes alleged herein and to prevent them from continuing to occur.

159. These actions were not a good-faith exercise of prudent business judgment to protect and promote the Company's corporate interests.

160. As a direct and proximate result of the Individual Defendants' breaches of their fiduciary obligations, Coinbase has sustained and continues to sustain significant damages. As a result of the misconduct alleged herein, the Individual Defendants are liable to the Company.

COUNT II
Against the Insider Trading Defendants for Unjust Enrichment

161. Plaintiffs incorporate by reference and reallege each and every allegation set forth above, as though fully set forth herein.

162. The Insider Trading Defendants sold Coinbase stock while in possession of adverse material, nonpublic information that artificially inflated the price of Coinbase stock. As a result, the Insider Trading Defendants profited from their wrongdoing.

163. Plaintiffs, as shareholders and representatives of Coinbase, seek restitution from the Individual Defendants and seek an order from this Court

disgorging all profits—including from insider sales—obtained by the Individual Defendants from their wrongful conduct and breach of their fiduciary duties.

164. Plaintiffs on behalf of Coinbase have no adequate remedy at law.

COUNT III
**Against the Insider Trading Defendants for
Insider Selling and Misappropriation of Information**

165. Plaintiffs incorporate by reference and reallege each and every allegation set forth above, as though fully set forth herein.

166. At the time of their stock sales set forth herein, the Insider Trading Defendants knew of the information described above and sold Coinbase common stock on the basis of such information.

167. The information described above was proprietary non-public information concerning the Company. It was a proprietary asset belonging to the Company, which the Insider Trading Defendants used for their own benefit when they sold Coinbase common stock.

168. The Insider Trading Defendants' sales of Company common stock while in possession and control of this material adverse non-public information was a breach of their fiduciary duties of loyalty and good faith.

169. Because the use of the Company's proprietary information for their own gain constitutes a breach of Insider Trading Defendants' fiduciary duties, the

Company is entitled to the imposition of a constructive trust on any profits that the Insider Trading Defendants obtained thereby.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demand judgment as follows:

A. Declaring that Plaintiffs may maintain this derivative action on behalf of Coinbase and that Plaintiffs are proper and adequate representatives of the Company;

B. Awarding the amount of damages sustained by the Company as a result of the Individual Defendants' breaches of fiduciary duties and other violations of law;

C. Ordering the Insider Trading Defendants to disgorge monies obtained as a result of their sale of Coinbase stock while in possession of insider information as described herein;

D. Awarding prejudgment interest to the Company;

E. Granting appropriate equitable relief to remedy Individual Defendants' breaches of fiduciary duties and other violations of law;

F. Awarding to Plaintiffs the costs and disbursements of the action, including reasonable attorneys' fees, accountants' and experts' fees and costs and expenses; and

G. Granting such other and further relief as the Court deems just and proper.

Dated: July 18, 2025

Respectfully submitted,

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