

COMMONWEALTH OF MASSACHUSETTS

Suffolk, SS.

COMMISSIONER OF BANKS
THIRD PARTY LOAN SERVICER
REGISTRATION
Docket No. 2024-007

In the Matter of
ROBINHOOD CREDIT, INC.
Menlo Park, California
NMLS# 1781911

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) CONSENT ORDER
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WHEREAS, Robinhood Credit, Inc. (“Robinhood Credit” or the “Corporation”), with its main office located at 85 Willow Rd, Menlo Park, CA 94025, has been advised of its rights to Notice and Hearing pursuant to Massachusetts General Laws (“M.G.L.”) chapter 30A, section 10, and having waived those rights, entered into a STIPULATION AND CONSENT TO THE ISSUANCE OF A CONSENT ORDER (“Consent Agreement”) with the Division of Banks (“Division”), dated December 31, 2024, whereby, solely for the purpose of settling this matter and without admitting, and otherwise denying, any allegations of fact, or the existence of any violations of law, Robinhood Credit agrees to the issuance of this CONSENT ORDER (“Consent Order”) by the Commissioner of Banks (“Commissioner”);

WHEREAS, a person or entity must register with the Commissioner prior to acting as a third party loan servicer in Massachusetts pursuant to M.G.L. chapter 93, section 24A;

WHEREAS, a person or entity acting as a third party loan servicer in Massachusetts must comply with the requirements of 209 Code of Massachusetts Regulations (“C.M.R.”) 18.00 *et seq.*;

WHEREAS, Robinhood Credit is, and at all relevant times has been, a foreign corporation conducting business in the Commonwealth of Massachusetts with its main office located at 85 Willow Rd, Menlo Park, CA 94025;

WHEREAS, according to records maintained on file with the Division, and as recorded on the Nationwide Multi-State Licensing System and Registry (“NMLS”), on or about January 4, 2024, Robinhood Credit submitted an application for a third party loan servicer registration with the Division (“the application”);

WHEREAS, during a review of the application, the Division became aware that Robinhood Credit had engaged in the business of a third party loan servicer in Massachusetts without the appropriate registration; and

WHEREAS, the parties now seek to resolve by mutual agreement the matters identified above.

ORDER

NOW COME the parties in the above-captioned matter, the Division and the Corporation, and stipulate and agree as follows:

1. The Corporation shall remit two hundred thousand dollars (\$200,000.00) to the Commonwealth of Massachusetts upon execution of this Consent Order. The funds shall be payable by cashier’s check to the “Commonwealth of Massachusetts” and mailed to the Division of Banks, Attn: Consumer Finance Licensing Unit, 1000 Washington Street, 10th Floor, Boston, Massachusetts 02118.
2. Robinhood Credit ceased any business activity that requires licensing or registration from the Division prior to seeking to obtain the appropriate license or

- approval from the Division including, but not limited to, acting as a third party loan servicer as such activity is described in M.G.L. chapter 93, section 24A.
3. Robinhood Credit shall establish, implement, and maintain internal policies and procedures reasonably to ensure that the Corporation refrains from engaging in any business activity that requires licensing or registration from the Division prior to obtaining the appropriate license or approval from the Division.
 4. Nothing in this Consent Order shall be construed as permitting Robinhood Credit to violate any law, rule, regulation, or regulatory bulletin to which the Corporation is subject.
 5. Failure to comply with the terms of this Consent Order may constitute grounds for formal regulatory action pursuant to applicable provisions of the General Laws of the Commonwealth of Massachusetts including, but not limited to, revocation of any and all licenses and registrations issued by the Division or denial of any applications pending with the Division.
 6. This Consent Order shall become effective immediately upon the date of its issuance.
 7. The provisions of this Consent Order shall be binding upon Robinhood Credit and its respective subsidiaries, officers and directors, successors and assigns, and those persons in active participation with them, directly or indirectly, acting individually or through any corporate or other entity.
 8. In consideration of this Consent Order, the Division agrees not to pursue any other remedial measures, sanctions, or penalties relative to this matter unless the Division

is made aware of material information that is not addressed in this Consent Order, or if Robinhood Credit fails to comply with the terms of this Consent Order.

9. Without limiting the Division's discretion set forth within M.G.L. chapter 93, section 24A and the Division's regulation 209 CMR 18.00 *et seq.* in determining whether to issue a license and/or registration to Robinhood Credit, any such application shall not be denied solely as a result of any of the issues resolved by this Consent Order or because Robinhood Credit entered into this Consent Order.
10. The provisions of this Consent Order shall not limit, estop, or otherwise prevent any other state agency or department from taking any other action under separate authority affecting the Corporation or any of its officers and directors, or their successors or assigns.
11. The provisions of this Consent Order shall remain effective and enforceable except to the extent that, and until such time as, the Commissioner or a court of competent jurisdiction modifies, terminates, suspends, or sets aside any provision of this Consent Order.
12. In accordance with the terms of the Consent Agreement entered into by Robinhood Credit and the Commissioner, Robinhood Credit has waived all rights of appeal that it may have relative to this Consent Order or any of its provisions.

13. This Consent Order is not intended to form the basis of any disqualifications under Section 3(a)(39) of the Securities Exchange Act of 1934; or Rules 504(b)(3) and 506(d)(1) of Regulation D, Rule 262(a) of Regulation A and Rule 503(a) of Regulation CF under the Securities Act of 1933. This Consent Order is not intended to form the basis of disqualification under the FINRA rules prohibiting continuance in membership absent the filing of a MC-400A application or disqualification under SRO rules prohibiting continuance in membership. This Consent Order is not intended to form a basis of a disqualification under Section 204(a)(2) of the Uniform Securities Act of 1956, Section 212(a) of the Uniform Securities Act of 1985, Section 412(d) of the Uniform Securities Act of 2002, Rule 206(4)-1 under the Investment Advisers Act of 1940, or substantially similar state securities statutes or rules.
14. This Consent Order and the Consent Agreement are the complete documents representing the resolution of this matter. There are no other agreements between the Division and Robinhood Credit.

BY ORDER AND DIRECTION OF THE COMMISSIONER OF BANKS:

Dated at Boston, Massachusetts, this 31st day of December, 2024.

By:

Mary L. Gallagher
Commissioner of Banks