25-944 ROBINHOOD MARKETS, INC. V. SODHA

DECISION BELOW: 154 F.4th 1019

LOWER COURT CASE NUMBER: 24-1036

QUESTION PRESENTED:

Section 11(a) of the Securities Act of 1933, which governs public offerings, does not require companies to disclose all material facts in their possession. Instead, Section 11(a) imposes liability for omitting material facts in two limited circumstances. The misleading omissions prong requires disclosure where necessary to make statements in the offering documents not misleading. 15 U.S.C. § 77k(a). And the required statements prong mandates disclosure where required by another provision of the securities laws. *Ibid*. Item 303 of Regulation S-K, in turn, requires issuers to disclose "known trends or uncertainties" that are likely · to affect net proceeds. 17 C.F.R. § 229.303(b)(2)(ii).

Private plaintiffs often try to show a violation of Section 11(a) by pointing to a failure to disclose interim information. Although SEC regulations do not require issuers to report financial results until 45 days after the end of the fiscal quarter, plaintiffs have increasingly brought suits alleging that a failure to release data early violates both prongs of Section 11(a). This petition presents two questions that have divided the lower courts about Section 11's requirements:

1. Whether an issuer violates Section 11(a)'s misleading-omissions prong by failing to disclose interim financial data that investors may consider material, without an inquiry into whether the omission rendered any affirmative statement misleading.

2. Whether an issuer violates Item 303-and thus Section 11(a)'s required-statements prong-by failing to disclose and quantify interim financial data before quarterly reporting deadlines.

GRANTED LIMITED TO THE FOLLOWING QUESTION:
WHETHER AN ISSUER CAN BE FOUND LIABLE UNDER THE MISLEADING-OMISSIONS PRONG OF SECTION 11(a) OF THE SECURITIES ACT OF 1933, 15 U.S.C. 77a *et seq.,* BASED ON A DETERMINATION THAT THE ISSUER FAILED TO DISCLOSE INTERIM FINANCIAL INFORMATION THAT IS MATERIAL WITHIN THE MEANING OF SECTION 11(a), WITHOUT AN ADDITIONAL INQUIRY TO DETERMINE WHETHER THE OMISSION RENDERED ANY AFFIRMATIVE STATEMENT MISLEADING.

CERT. GRANTED 11/13/2026