

## *In re Meta Platforms, Inc. Securities Litigation*

**COURT:** United States District Court for the Northern District of California  
**CASE NUMBER:** 3:21-cv-08812  
**CLASS PERIOD:** 04/27/2021 - 10/21/2021  
**CASE LEADERS:** Hannah Ross, Jeroen van Kwawegen, John Rizio-Hamilton, Rebecca E. Boon, Jorge G. Tenreiro  
**CASE TEAM:** John J. Esmay, Mathews R. de Carvalho, Aasiya Glover, Sarah Schmidt

On November 12, 2021, Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) filed a class action lawsuit for violations of the federal securities laws in the U.S. District Court for the Northern District of California against Meta Platforms, Inc. f/k/a Facebook, Inc. (“Meta” or the “Company”) and certain of the Company’s senior executives (collectively, “Defendants”) on behalf of investors that incurred damages on their purchases of Meta Class A common stock. BLB&G represents the lead Plaintiffs, the Ohio Public Employees Retirement System and PFA Pension, Forsikringsaktieselskab, and the case is captioned *In re Meta Platforms, Inc. Securities Litigation*, No. 3:21-cv-08812 (N.D. Cal.).

### **Meta’s Alleged Fraud**

Meta operates the world’s largest family of social networks, enabling its more than three billion users worldwide to connect and share content through mobile devices, personal computers, and virtual reality headsets. The Company’s products include, among others, its flagship social network, Facebook, as well as Instagram, a community for sharing photos, videos, and messages. The Company generated the vast majority of its \$86 billion in revenue in 2020 by selling advertisement placements to marketers which Meta then shows to its users.

The complaint alleges that, throughout the Class Period, Meta repeatedly assured investors that it has “robust” content policies, which it applies evenly across all users, and that it had taken aggressive steps to ensure the safety and security of its users, including and especially children. In reality, Defendants knew that Meta’s products and systems are riddled with flaws that cause significant harm to users, and did not apply its content moderation practices evenly. As a result of Defendants’ misrepresentations, Meta stock traded at artificially inflated prices during the Class Period.

The truth began to emerge on September 13, 2021, when *The Wall Street Journal* published the first of a series of articles, referred to as the “Facebook Files.” Those articles, citing a trove of internal Company documents obtained from a whistleblower, disclosed that Meta did not apply its content policies equally to all users, and further demonstrated the extent to which Meta knew its platforms caused significant harm to young users (but which the Company made minimal or ineffectual efforts to address). Over the next several weeks, the Facebook Files and other disclosures revealed the extent of Meta’s misrepresentations. For example, on October 3, 2021, the whistleblower disclosed her identity as former Facebook product manager, Frances Haugen, during an interview on the CBS News program, 60 Minutes, in which she revealed that Meta repeatedly “chooses profit over safety.” The next day, CBS News revealed the eight complaints that Ms. Haugen had filed with the SEC, alleging that Meta has misled the public and investors. As a result of these and other disclosures, the price of Meta stock declined precipitously.

On October 28, 2022, Lead Plaintiffs filed a Consolidated Amended Class Action Complaint ("Complaint"). On January 28, 2023, Defendants filed a motion to dismiss the case, Lead Plaintiffs filed an opposition on April 14, 2023, and Defendants filed their reply on May 26, 2023. On September 30, 2024, the Court denied in substantial part the motion to dismiss, and the case is currently in discovery.

## Case Documents

- October 28, 2022 - Consolidated Class Action Complaint
- November 16, 2021 - PSLRA Notice
- November 12, 2021 - Initial Complaint