IN THE

Supreme Court of the United States

Coinbase, Inc. and Coinbase Global, Inc., Applicants,

v.

DARREN KRAMER, MANISH AGGARWAL, ET AL.,

Respondents.

APPLICATION FOR AN EXTENSION OF TIME TO FILE A PETITION FOR A WRIT OF CERTIORARI

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APPLICATION FOR AN EXTENSION OF TIME TO FILE A PETITION FOR A WRIT OF CERTIORARI

To the Honorable Elena Kagan, Associate Justice of the Supreme Court of the United States and Circuit Justice for the United States Court of Appeals for the Ninth Circuit:

Pursuant to Rule 13.5 of the Rules of this Court and 28 U.S.C. § 2101(c), Applicants Coinbase, Inc. and Coinbase Global, Inc. (collectively, "Coinbase"), respectfully request a 30-day extension of time, to and including April 30, 2025, within which to file a petition for a writ of certiorari to review the judgment of the Court of Appeal for the State of California, First Appellate District, in this case.

- 1. The Court of Appeal for the State of California, First Appellate District, issued its decision on September 12, 2024, see Kramer v. Coinbase, Inc., 326 Cal. Rptr. 3d 217 (Ct. App. 2024) (Appendix A), and certified the decision for publication on October 4, 2024 (Appendix B). Applicants petitioned for review to the California Supreme Court. The California Supreme Court denied the petition for review on December 31, 2024 (Appendix C). Unless extended, the time to file a petition for a writ of certiorari will expire on March 31, 2025. See Sup. Ct. R. 13.1. This application is being filed more than ten days before the petition is currently due. See Sup. Ct. R. 13.5. The jurisdiction of this Court would be invoked under 28 U.S.C. § 1257(a).
- 2. Applicant Coinbase, Inc. (a wholly owned subsidiary of Coinbase Global, Inc.) operates an online platform for buying, selling, and transferring cryptocurrencies like Bitcoin and Ether. App. 2a. Respondents Manish Aggarwal and Mostafa El Bermawy initially sued Coinbase in federal court, alleging that

hackers gained access to their respective accounts and stole funds, and that Coinbase should have better protected the accounts, mitigated their losses, or provided additional support following the thefts. They sought various remedies, including injunctive relief, declaratory relief, and multiple forms of damages. Coinbase moved to compel arbitration pursuant to the terms of its User Agreement, and the district court granted the motion compelling arbitration. *Aggarwal* v. *Coinbase, Inc.*, 685 F. Supp. 3d 867, 882 (N.D. Cal. 2023).

- 3. While Aggarwal was pending, however, Respondents Aggarwal and El Bermawy, joined by Respondents Darren Kramer and Amish Shah filed another suit against Coinbase, this time in state court—based on the same facts but with the addition of a California plaintiff to defeat removal. App. 3a n.2. This new suit purports to seek solely "public injunctive relief" and thereby avoid arbitration by falling within the California Supreme Court's decision in McGill v. Citibank, N.A., 393 P.3d 85 (Cal. 2017). In McGill, the California Supreme Court held that the right to request "public injunctive relief" in a judicial forum is not waivable through an arbitration agreement. Id. at 90. Respondents' gambit worked. When Coinbase invoked the arbitration agreement in its User Agreement and petitioned to compel arbitration of Respondents' claims, the San Francisco Superior Court denied Coinbase's petition to compel arbitration based on California's McGill rule.
- 4. Coinbase appealed, arguing that McGill differentiates public injunctive relief from private injunctive relief, and that the relief Respondents seek here falls on the private relief side of the line. Under McGill, claims for private injunctive relief

remain arbitrable; only those for public injunctive relief are not. 393 P.3d at 87, 93-95. And *McGill* drew the line between the two based on whether the relief sought would primarily benefit the "general public" or primarily benefit the plaintiffs and those "similarly situated" to them. *Id.* at 87, 89-90. In a published opinion, the Court of Appeal rejected Coinbase's arguments that the relief sought here was private injunctive relief, and it affirmed the denial of Coinbase's motion to compel arbitration. App. 1a-21a.

- 5. Coinbase then petitioned for review in the California Supreme Court, arguing both that the relief Respondents seek is not "public" injunctive relief and that the *McGill* rule is preempted by the Federal Arbitration Act ("FAA")—especially if that rule were expanded to cover Respondents' claims here. The California Supreme Court denied review. App. 23a.
- 6. The FAA "protect[s] pretty absolutely" parties' ability to agree to "individualized" arbitration and preempts "new devices and formulas" that disfavor arbitration. *Epic Systems Corp.* v. *Lewis*, 584 U.S. 497, 506, 509 (2018). Whether the FAA preempts the *McGill* rule, as it was interpreted by the court below, is of exceptional importance. Virtually every plaintiff in California who wants to challenge a business practice can tack a boilerplate request for an injunction seeking broad, "public" relief to their complaint and thereby create a tractor-size loophole in the FAA's enforcement mandate.
- 7. The Court of Appeal decision below adopts an expansive view of *McGill* that deepens the split of authority between the California Courts of Appeal and the

Ninth Circuit. Compare App. 20a n.8, and, e.g., Ramsey v. Comcast Cable Commc'ns, LLC, 99 Cal. App. 5th 197 (2023), review denied May 1, 2024, No. H049949 (Cal.), cert. denied, Jan. 13, 2025, No. 24-365 (U.S.), with Hodges v. Comcast Cable Commc'ns, LLC, 21 F.4th 535, 548 (9th Cir. 2021). By expanding McGill's reach, the Court of Appeal opinion magnifies McGill's conflict with the FAA's policy favoring arbitration.

- 8. Applicants request this extension of time to permit counsel to research the relevant issues and to prepare a petition that fully addresses the important questions raised by the proceedings below. Over the next several weeks, counsel of record is occupied with briefing deadlines for a variety of matters, including: filing a merits-stage amicus brief in *Medina* v. *Planned Parenthood South Atlantic*, No. 23-1275 (U.S.) on March 12; a reply brief due in *Avient Corporation* v. *Westlake Vinyls, Inc.*, No. 24-5989 (6th Cir.), on March 21; an opening brief in *La Union del Pueblo Entero* v. *Federal Emergency Management Agency*, No. 24-40756 (5th Cir.), on April 2; a brief in opposition in *Grant ex rel. United States* v. *Zorn*, No. 24-549 (U.S.), on April 11; and a response brief in *N'Jai* v. *United States Department of Education*, No. 24-SP-0735 (D.C.), on April 18.
- 9. For these reasons, Applicants respectfully request that an order be entered extending the time to file a petition for certiorari to and including April 30, 2025.

Respectfully Submitted,

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