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**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

\_\_\_\_, Individually and on Behalf of All  
Others Similarly Situated,

Plaintiff,

vs.

THE TRADE DESK, INC., JEFFREY  
TERRY GREEN, and LAURA  
SCHENKEIN,

Defendants.

Case No.:

CLASS ACTION COMPLAINT FOR  
VIOLATIONS OF THE FEDERAL  
SECURITIES LAWS

DEMAND FOR JURY TRIAL

1 Plaintiff \_\_\_\_ (“Plaintiff”), by and through its attorneys, alleges the  
2 following upon information and belief, except as to allegations concerning Plaintiff,  
3 which are alleged upon personal knowledge. Plaintiff’s information and belief are  
4 based upon, among other things, its counsel’s investigation, which includes, without  
5 limitation: (a) review and analysis of public filings made by The Trade Desk, Inc.  
6 (“Trade Desk” or the “Company”) with the U.S. Securities and Exchange  
7 Commission (the “SEC”); (b) review and analysis of press releases and other  
8 publications disseminated by Defendants (defined below) and other parties;  
9 (c) review of news articles, shareholder communications, conference calls, and  
10 postings on the Trade Desk website concerning the Company’s public statements;  
11 and (d) review of other publicly available information concerning the Company and  
12 the Individual Defendants (defined below).

### 13 14 NATURE OF THE ACTION

15 1. This is a federal securities class action on behalf of all persons or  
16 entities that purchased Trade Desk Class A common stock between May 9, 2024 and  
17 February 12, 2025, inclusive (the “Class Period”) against Trade Desk and certain of  
18 its officers (collectively “Defendants”) seeking to pursue remedies under the  
19 Securities and Exchange Act of 1934, 15 U.S.C. §§ 78a, 78j(b), and 78t(a) (the  
20 “Exchange Act”).

21 2. Trade Desk operates globally as a technology company, offering a self-  
22 service, cloud-based, ad-buying platform that allows marketers to plan, manage,  
23 optimize, and measure data-driven ad campaigns.

24 3. Leading up to the Class Period, Trade Desk launched Kokai on June 6,  
25 2023, a generative artificial intelligence (“AI”) forecasting tool that enables users to  
26 more effectively deploy advertising spending. In a press release announcing the  
27 Kokai launch, Trade Desk described Kokai as a “co-pilot to the programmatic  
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marketer” that digests over 13 million advertising impressions every second, helping “advertisers buy the right ad impressions, at the right price, to reach the target audience at the best time.”

4. Immediately after the Kokai launch, Trade Desk began rolling out Kokai (“the Kokai Rollout”) as the Company began transitioning its clients to Kokai from the Company’s older ad-buying platform Solimar, among other things. Trade Desk touted the transition to investors as a seamless “switch over to the new” platform, and one “without the disruption that comes from yanking something out of the box and maybe having something totally hate it and just be angry.” Trade Desk further claimed to expect “full adoption” of Kokai “over the course of 2024[.]”

5. Despite the alleged simplicity of the Kokai Rollout, including with respect to transitioning clients, CEO Green repeatedly expressed the importance of Kokai to the Company’s business, describing it as the “largest platform overhaul in our [C]ompany’s history.”

6. Moreover, Kokai was held out to investors as an integral component of the Company’s ability to gain share in “key growth markets[,]” including the connected TV (“CTV”) market. Before the start of the Class Period, Defendants affirmed prior estimates that, from the June 2023 launch, Kokai “would take about a year to roll out in its entirety.”

7. Throughout the Class Period, Defendants repeatedly touted the value that the Kokai Rollout was providing to the Company’s clients, as well as Kokai’s positive impact on Trade Desk’s revenue metrics. For example, after markets closed on May 8, 2024, during an earnings call in connection with Trade Desk announcing its financial results for the first quarter of 2024, CEO Green stated, “I believe our revenue growth acceleration in the first quarter speaks to the innovation and value that we are delivering to our clients with Kokai.”

1           8.     Additionally, on August 8, 2024, during the earnings call discussing  
2 Trade Desk’s financial results for the second quarter of 2024, CEO Green touted the  
3 progress of the Kokai Rollout, stating, “I’ve been incredibly encouraged by the early  
4 results from Kokai[,]” while highlighting that the “campaigns that have moved from  
5 Solimar to Kokai in aggregate, incremental reach is up more than 70%.” That same  
6 day, CEO Green further stated, “I firmly believe that we have met the moment with  
7 Kokai.”

8           9.     These statements, among others, were materially false and/or  
9 misleading and failed to disclose material adverse facts about the Company’s  
10 business, operations, and prospects to make the statements made, in light of the  
11 circumstances under which they were made, not false and misleading. Specifically,  
12 Defendants failed to disclose that: (1) Trade Desk was experiencing significant,  
13 ongoing, self-inflicted execution challenges rolling out Kokai, including  
14 transitioning clients to Kokai from the Company’s older platform Solimar; (2) such  
15 execution challenges meaningfully delayed the Kokai Rollout; (3) Trade Desk’s  
16 inability to effectively execute the Kokai Rollout negatively impacted the  
17 Company’s business and operations, particularly revenue growth; and (4) as a result  
18 of the above, Defendants’ positive statements about the Company’s business,  
19 operations, and prospects were materially false and misleading and/or lacked a  
20 reasonable basis at all relevant times.

21          10.    The truth emerged after markets closed on February 12, 2025, when  
22 Trade Desk issued a press release announcing its financial results for the fourth  
23 quarter and full year of 2024. In the press release, Trade Desk reported fourth quarter  
24 revenue of \$741 million—below the Company’s previously issued guidance of  
25 \$756 million and analysts’ estimates of \$759.8 million. Additionally, Trade Desk’s  
26 revenue guidance of at least \$575 million for the first quarter of 2025 missed analysts’  
27 estimates of \$581.5 million.

11. During the earnings call held that same day, CEO Green disclosed that Trade Desk has yet to reach full adoption of Kokai, as the Company is “maintaining 2 systems, Solimar and Kokai. This slows us down.”

12. Later, on that same call, in response to a Cannonball Research analyst expressing concern regarding “issues with Kokai rollout pace,” CEO Green simply stated, “you’re right, that Kokai rolled out slower than we anticipated.” However, while addressing that same analyst question, CEO Green later explained that “in some cases, the slower Kokai rollout was deliberate.”

13. On this news, the price of Trade Desk Class A common stock dropped \$40.31 per share, or more than 32%, from a closing price of \$122.23 per share on February 12, 2025, to a closing price of \$81.92 per share on February 13, 2025.

14. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in market value of the Company's Class A common stock when the truth was disclosed, Plaintiff and other Class members have suffered significant losses and damages.

## JURISDICTION AND VENUE

15. The claims asserted herein arise under Sections 10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

16. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. § 1331, Section 27 of the Exchange Act (15 U.S.C. § 78aa).

17. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b), Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). Substantial acts in furtherance of the alleged fraud or the effects of the fraud have occurred in this Judicial District. Many of the acts and omissions charged herein, including the dissemination of materially false and misleading information to the investing public,

1 and the omission of material information, occurred in substantial part in this Judicial  
2 District, as Trade Desk is headquartered in this Judicial District.

3 18. In connection with the acts, transactions, and conduct alleged herein,  
4 Defendants, directly and indirectly, used the means and instrumentalities  
5 of interstate commerce, including the U.S. Mail, interstate telephone  
6 communications, and the facilities of a national securities exchange.

7 **PARTIES**

8 19. Plaintiff \_\_\_\_\_. As set forth in the accompanying certification,  
9 incorporated by reference herein, Plaintiff purchased Trade Desk Class A  
10 common stock during the Class Period and suffered damages as a result of the  
11 federal securities laws violations and false and/or misleading statements and/or  
12 material omissions alleged herein.

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17 20. Defendant Trade Desk is incorporated under the laws of Nevada, with  
18 its principal executive offices located in Ventura, California. The Company's Class  
19 A common stock trades on the Nasdaq Global Select Market (the "Nasdaq")  
20 under the ticker symbol "TTD."

21 21. Defendant Jeffrey Terry Green ("CEO Green") has served as  
22 the Company's Co-Founder, Chairman, President, and Chief Executive  
23 Officer ("CEO") at all relevant times.

24 22. Defendant Laura Schenkein ("CFO Schenkein") served as the  
25 Company's Chief Financial Officer ("CFO") at all relevant times.

26 23. Defendants CEO Green and CFO Schenkein (together, the "Individual  
27 Defendants"), because of their positions with the Company, possessed the power and  
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1 authority to control the contents of the Company’s reports to the SEC, shareholder  
2 letters, press releases, and presentations to securities analysts, money and portfolio  
3 managers, and institutional investors, *i.e.*, the market. The Individual Defendants  
4 were provided with copies of the Company’s reports and press releases alleged  
5 herein to be misleading prior to, or shortly after, their issuance and had the ability  
6 and opportunity to prevent their issuance or cause them to be corrected. Because of  
7 their positions and access to material non-public information available to them, the  
8 Individual Defendants knew that the adverse facts specified herein had not been  
9 disclosed to, and were being concealed from, the public, and that the positive  
10 representations that were being made were then materially false and/or misleading.  
11 The Individual Defendants are liable for the false statements pleaded herein.

12 24. The Company and the Individual Defendants are collectively referred  
13 to herein as the “Defendants.”

## 14 **SUBSTANTIVE ALLEGATIONS**

### 15 **Background**

16 25. Trade Desk is a global technology company, offering a self-service,  
17 cloud-based, ad-buying platform that allows marketers to plan, manage, optimize,  
18 and measure data-driven ad campaigns.

19 26. On June 6, 2023, Trade Desk issued a press release announcing the  
20 launch of Kokai. Kokai is a generative AI forecasting tool that enables users to  
21 better predict the benefit of advertising spending. Specifically, Kokai’s AI  
22 capabilities include predictive clearing, which enables traders to bid at the optimal  
23 level, scoring ad impressions based upon relevance to the advertiser, budget  
24 optimization, and key performance indicator (“KPI”) scoring. In a press release  
25 announcing the Kokai launch, Trade Desk touted Kokai as a “co-pilot to the  
26 programmatic marketer” that digests over 13 million advertising impressions every  
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1 second, helping “advertisers buy the right ad impressions, at the right price, to reach  
2 the target audience at the best time.”

3 27. Thereafter, Trade Desk began the Kokai Rollout, which included  
4 transitioning its clients to Kokai from the Company’s older ad-buying platform  
5 Solimar. Trade Desk described the transition as one where clients can simply  
6 “switch over to the new” platform. Moreover, the Company expected “full adoption”  
7 of Kokai “over the course of 2024[,]” “without the disruption that comes from  
8 yanking something out of the box and maybe having something totally hate it and  
9 just be angry.”

10 28. CEO Green repeatedly expressed the importance of Kokai to the  
11 Company’s business, describing it as the “largest platform overhaul in our  
12 [C]ompany’s history.” CEO Green further highlighted Kokai as an integral  
13 component of the Company’s ability to “continue to gain share, especially in key  
14 growth markets such as CTV” (*i.e.*, connected TV). In the months leading up to the  
15 Class Period, Defendants affirmed prior estimates that, from the June 2023 launch,  
16 Kokai “would take about a year to roll out in its entirety.”

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18 **Defendants’ Materially False and Misleading Statements**  
19 **Issued During the Class Period**

20 29. The Class Period begins on May 9, 2024. After the markets closed the  
21 prior day on May 8, 2024, Trade Desk issued a press release announcing its financial  
22 results for the first quarter of 2024, ended March 31, 2024. In the press release,  
23 Trade Desk reported first quarter revenue of \$491 million, representing growth of  
24 28% year-over-year. Within the press release, CEO Green stated:

25 With the continued strong growth of [connected TV], the  
26 growing ubiquity of UID2, new approaches to  
27 authentication, greater deployment of first-party data and  
28 retail data, and with significant AI advances in our Kokai  
platform, we are better positioned than ever to deliver



1 premium value to advertisers and continue to gain market  
2 share.

3 30. During the corresponding earnings call held that same day, CEO Green  
4 touted the success of the Kokai Rollout, stating, “I believe our revenue growth  
5 acceleration in the first quarter speaks to the innovation and value that we are  
6 delivering to our clients with Kokai.” CEO Green further highlighted how Kokai  
7 will allow its users to capitalize on advertising opportunities beyond the technology  
8 conglomerates, such as Facebook, Instagram, and Google, *i.e.*, the “open Internet,”  
9 stating:

10 And the innovations in our Kokai platform will help our  
11 clients take advantage of this revaluation and fully  
12 leverage data-driven buying to fuel their own business  
13 growth. As a result, I’ve never been more optimistic about  
14 the future of the open Internet and our ability to gain more  
15 than our fair share of the nearly \$1 trillion advertising  
[total addressable market].

16 31. On the same call, CFO Schenkein reiterated the role of Kokai in  
17 propelling the Company’s growth, stating, “All of our progress in areas such as CTV,  
18 Retail Media, Kokai and UID2 helped deliver another quarter of consistently strong  
19 growth and profitability to start 2024.”

20 32. On August 8, 2024, after the markets closed, Trade Desk issued a press  
21 release announcing its financial results for the second quarter of 2024, ended June  
22 30, 2024, reporting second quarter revenue of \$585 million and 26% revenue growth  
23 year-over-year. In the press release, CEO Green emphasized that as Kokai continues  
24 to roll out, the Company is “intuitively surfacing value for advertisers, integrating  
25 data into every decision, advancing the full power of AI as a co-pilot, and enabling  
26 advertisers to maximize the potential of their first party data.”  
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1           33. During the corresponding earnings call held that same day, CEO Green  
2 touted Kokai’s use case, stating:

3                   In order to help advertisers think about efficacy in new  
4 ways and to help them take advantage of the premium  
5 open Internet where consumers are most leaned in, after  
6 years of development, we launched our most ambitious  
7 platform to date, Kokai. Kokai allows our clients to  
8 deploy data about their most loyal customers and then use  
that data as a seed to grow and harvest the next generation  
of loyal customers.

9           34. During that same call, regarding the Kokai Rollout, CEO Green further  
10 proclaimed, “I’ve been incredibly encouraged by the early results from Kokai[,]”  
11 while highlighting that the “campaigns that have moved from Solimar to Kokai in  
12 aggregate, incremental reach is up more than 70%[,]” and “[c]ost per acquisition has  
13 improved by about 27% as data elements per impression have gone up by about  
14 30%.” CEO Green further explained that “performance metrics have improved by  
15 about 25%, helping to unlock performance budgets on our platform for years to  
16 come.”

17           35. Referencing his earlier remarks during the same call about “meeting  
18 with many [chief marketing officers]” (“CMOs”) from global brands who are  
19 “putting a premium on the efficacy of marketing,” CEO Green stated, “Given  
20 everything I said about what CMOs today are trying to accomplish and the pressures  
21 that they are under, I firmly believe that we have met the moment with Kokai.”

22           36. On November 7, 2024, after the markets closed, Trade Desk issued a  
23 press release announcing its financial results for the third quarter of 2024, ended  
24 September 30, 2024, reporting third quarter revenue of \$628 million and providing  
25 fourth quarter revenue guidance of \$756 million. In the press release, CEO Green  
26 stated, “[T]he performance improvements that our clients are seeing with Kokai -  
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1 our largest platform upgrade to date - showcase the value of audience-driven, AI-  
2 enabled innovation.”

3 37. During the accompanying earnings call held that same day, CEO Green  
4 once again assured investors that “[w]e are already seeing the results of Kokai  
5 performance today, but we’re just getting started.” CFO Schenkein further touted  
6 that “[k]ey investment initiatives, including performance advancements in our Kokai  
7 platform . . . are not only strengthening our foundation, but position us for durable  
8 growth in 2025 and beyond.”

9 38. During the question-and-answer portion of the call, a RBC Capital  
10 analyst asked:

11 [W]hat type of work does it take to help CMOs and the  
12 users understand the metrics coming out of Kokai but also  
13 to kind of gain trust around them? I know that’s been a  
14 challenge in some other walled garden platforms, so  
people trusting the attribution data.

15 39. In response, CEO Green stated:

16 I really appreciate the question because I think this is one  
17 of the more nuanced ways that we have just so much  
18 opportunity in front of us. . . . But the state of  
19 measurement is that walled gardens have essentially been  
20 grading their own homework for many, many years. And  
21 one of the things that they’ve done really well is convinced  
22 people to use their own metrics and kept things quite  
23 simple. But at times, that’s been really difficult for some  
24 of the biggest brands in the world because they’ll be told  
by a walled garden, we help you sell 101 toothbrushes,  
when the company actually only sold 100 toothbrushes  
total. . . .

25 40. The above statements set forth in ¶¶ 29-39 were materially false and/or  
26 misleading and failed to disclose material adverse facts about the Company’s  
27 business, operations, and prospects to make the statements made, in light of the  
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1 circumstances under which they were made, not false and misleading. Specifically,  
2 Defendants failed to disclose that: (1) Trade Desk was experiencing significant,  
3 ongoing, self-inflicted execution challenges rolling out Kokai, particularly in  
4 transitioning clients to Kokai from the Company’s older platform Solimar; (2) such  
5 execution challenges meaningfully delayed the Kokai Rollout; (3) Trade Desk’s  
6 inability to effectively execute the Kokai Rollout negatively impacted the  
7 Company’s business and operations, including revenue growth, and (4) as a result  
8 of the above, Defendants’ positive statements about the Company’s business,  
9 operations, and prospects were materially false and misleading and/or lacked a  
10 reasonable basis at all relevant times.

### 11 **The Truth Emerges**

12 41. The truth regarding the Kokai Rollout execution challenges that Trade  
13 Desk had been facing emerged after markets closed on February 12, 2025.  
14 Specifically, Trade Desk issued a press release announcing its financial results for  
15 the fourth quarter and full year of 2024, ended December 31, 2024. In the press  
16 release, Trade Desk reported fourth quarter revenue of \$741 million—below the  
17 Company’s previously issued guidance of \$756 million and analysts’ estimates of  
18 \$759.8 million. Additionally, Trade Desk provided revenue guidance of at least  
19 \$575 million for the first quarter of 2025, missing analysts’ estimates of \$581.5  
20 million.

21 42. In the press release, CEO Green stated, “[W]e are disappointed that we  
22 fell short of our own expectation in the fourth quarter.” Moreover, CEO Green  
23 explained that the Company “undertook a reorganization to accelerate opportunities  
24 across CTV, retail media, identity, supply chain optimization, and audio[,] while  
25 forging ahead with innovations like Kokai. . . .”

26 43. During the corresponding earnings call held that same day, CEO Green  
27 disclosed that Trade Desk has yet to onboard all of its clients onto Kokai, stating,  
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1 “[W]e’ll move 100% of our clients to Kokai this year. Now the majority already  
2 have. But today, we’re maintaining 2 systems, Solimar and Kokai. This slows us  
3 down. Kokai is more effective in almost every way.”

4 44. During that same call, in response to a Cannonball Research analyst  
5 expressing concern regarding “issues with Kokai rollout pace,” CEO Green plainly  
6 stated, “you’re right, that Kokai rolled out slower than we anticipated.” However,  
7 while addressing that same analyst question, CEO Green later explained that “in  
8 some cases, the slower Kokai rollout was deliberate.”

9 45. Analysts swiftly reacted to the disappointing pace of the Kokai Rollout.  
10 For example, in a report titled “Debacle Leads To Doghouse,” Wedbush Securities  
11 analysts cut their price targets and reported:

12 Management attributed the miss in 4Q to a series of  
13 several, small execution mistakes (including a delayed  
14 rollout of the company’s Kokai platform) while 1Q  
15 guidance signals management has decided to more  
aggressively invest in strategic initiatives this year.

16 46. Additionally, in a report titled “Too Many Turnovers, On To The Next,”  
17 Cantor Fitzgerald analysts also cut their price targets and noted that “slower rollout  
18 of Kokai (missed 50% EOY adoption goal) also weighed on 4Q revs.”

19 47. Moreover, William Blair analysts published a report in response to the  
20 disclosure, homing in on the fact that “the company is maintaining two systems:  
21 Kokai and Solimar. While the majority of clients are already exclusively using  
22 Kokai, select clients are still utilizing Solimar but plan to shift by the end of 2025.”

23 48. On this news, the price of Trade Desk Class A common stock dropped  
24 \$40.31 per share, or more than 32%, from a closing price of \$122.23 per share on  
25 February 12, 2025, to a closing price of \$81.92 per share on February 13, 2025.  
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1           53. Common questions of law and fact exist as to all members of the Class  
2 and predominate over any questions solely affecting individual members of the Class.  
3 Among the questions of law and fact common to the Class are:

4           a. whether Defendants violated the Exchange Act by the acts and  
5 omissions as alleged herein;

6           b. whether Defendants knew or recklessly disregarded that their  
7 statements and/or omissions were false and misleading;

8           c. whether documents, press releases, and other statements  
9 disseminated to the investing public and the Company's shareholders during the  
10 Class Period misrepresented material facts about the business, operations, and  
11 prospects of Trade Desk;

12           d. whether statements made by Defendants to the investing public  
13 during the Class Period misrepresented and/or omitted to disclose material facts  
14 about the business, operations, and prospects of Trade Desk;

15           e. whether the market price of Trade Desk Class A common stock  
16 during the Class Period was artificially inflated due to the material  
17 misrepresentations and failures to correct the material misrepresentations  
18 complained of herein; and

19           f. the extent to which the members of the Class have sustained  
20 damages and the proper measure of damages.

21           54. A class action is superior to all other available methods for the fair and  
22 efficient adjudication of this controversy because joinder of all members is  
23 impracticable. Furthermore, as the damages suffered by individual Class members  
24 may be relatively small, the expense and burden of individual litigation make it  
25 impossible for members of the Class to individually redress the wrongs done to them.  
26 There will be no difficulty in the management of this suit as a class action.

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55. The market for Trade Desk Class A common stock was an open, well-developed, and efficient market at all relevant times. As a result of the materially false and/or misleading statements and/or omissions particularized in this Complaint, the Company's Class A common stock traded at artificially inflated prices during the Class Period. Plaintiff and the other members of the Class purchased the Company's Class A common stock relying upon the integrity of the market price of the Company's Class A common stock and market information relating to Trade Desk and have been damaged thereby.

56. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of the Company's Class A common stock, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. The statements and omissions were materially false and/or misleading because they failed to disclose material adverse information and/or misrepresented the truth about the Company's business, operations, and prospects as alleged herein. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its business, thus causing the Company's Class A common stock shares to be overvalued and artificially inflated or maintained at all relevant times. Defendants' materially false and/or misleading statements during the Class Period directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class who purchased the Company's Class A common stock at artificially inflated prices and were harmed when the truth was revealed.



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1 those forward-looking statements was made, the speaker had actual knowledge that  
2 the forward-looking statement was materially false or misleading, and/or the  
3 forward-looking statement was authorized or approved by an executive officer of  
4 Trade Desk who knew that the statement was false when made.

### 5 **LOSS CAUSATION**

6 61. Defendants' wrongful conduct, as alleged herein, directly and  
7 proximately caused the economic loss, *i.e.*, damages, suffered by Plaintiff and the  
8 Class.

9 62. During the Class Period, as detailed herein, Defendants made  
10 materially false and misleading statements and omissions and engaged in a scheme  
11 to deceive the market. This artificially inflated the prices of the Company's Class A  
12 common stock and operated as a fraud or deceit on the Class. When Defendants'  
13 prior misrepresentations, information alleged to have been concealed, fraudulent  
14 conduct, and/or the effect thereof were disclosed to the market, the price of the  
15 Company's stock fell precipitously, as the prior artificial inflation came out of the  
16 price.

### 17 **APPLICABILITY OF PRESUMPTION OF RELIANCE** 18 **(FRAUD-ON-THE-MARKET DOCTRINE)**

19 63. The market for Trade Desk Class A common stock was open, well-  
20 developed, and efficient at all relevant times. As a result of the materially false  
21 and/or misleading statements and/or failures to disclose particularized in this  
22 Complaint, Trade Desk Class A common stock traded at artificially inflated and/or  
23 maintained prices during the Class Period. Plaintiff and other members of the Class  
24 purchased the Company's Class A common stock relying upon the integrity of the  
25 market price of Trade Desk Class A common stock and market information relating  
26 to Trade Desk and have been damaged thereby.

1           64.    At all times relevant, the market for Trade Desk Class A common stock  
2 was an efficient market for the following reasons, among others:

3               a.    Trade Desk was listed and actively traded on Nasdaq, a highly  
4 efficient and automated market;

5               b.    As a regulated issuer, Trade Desk filed periodic public reports  
6 with the SEC and/or the Nasdaq;

7               c.    Trade Desk regularly communicated with public investors via  
8 established market communication mechanisms, including through regular  
9 dissemination of press releases on the national circuits of major newswire services  
10 and through other wide-ranging public disclosures, such as communications with the  
11 financial press and other similar reporting services; and/or

12              d.    Trade Desk was followed by securities analysts employed by  
13 brokerage firms who wrote reports about the Company, and these reports were  
14 distributed to the sales force and certain customers of their respective brokerage  
15 firms. Each of these reports was publicly available and entered the public  
16 marketplace.

17           65.    As a result of the foregoing, the market for Trade Desk Class A  
18 common stock promptly digested current information regarding Trade Desk from all  
19 publicly available sources and reflected such information in the Company's stock  
20 price. Under these circumstances, all purchasers of Trade Desk Class A common  
21 stock during the Class Period suffered similar injury through their purchase and/or  
22 acquisition of stock at artificially inflated prices, and a presumption of reliance  
23 applies.

24           66.    A Class-wide presumption of reliance is also appropriate in this action  
25 under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*,  
26 406 U.S. 128 (1972), because the Class's claims are, in large part, grounded in  
27 Defendants' material misstatements and/or omissions. Because this action involves  
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Defendants' failure to disclose material adverse information regarding the Company's business, operations, and prospects—information that Defendants were obligated to disclose during the Class Period but did not—positive proof of reliance is not a prerequisite to recovery. All that is necessary is that the facts withheld be material in the sense that a reasonable investor might have considered them important in the making of investment decisions. Given the importance of the Class Period material misstatements and omissions set forth above, that requirement is satisfied here.

## **COUNTS AGAINST DEFENDANTS**

### **COUNT I**

#### **For Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Promulgated Thereunder Against All Defendants**

67. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

68. During the Class Period, Defendants carried out a plan, scheme, and course of conduct that was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of Trade Desk Class A common stock; and (iii) cause Plaintiff and other members of the Class to purchase Trade Desk Class A common stock at artificially inflated prices. In furtherance of this unlawful scheme, plan, and course of conduct, Defendants, and each of them, took the actions set forth herein.

69. Defendants: (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of conduct that operated as a fraud and deceit upon the purchasers of the Company's Class A common stock in an effort to maintain artificially high market prices for Trade Desk Class A common stock in violation of Section 10(b)

1 of the Exchange Act and Rule 10b-5 promulgated thereunder. All Defendants are  
2 sued either as primary participants in the wrongful and illegal conduct charged  
3 herein or as controlling persons as alleged below.

4 70. Defendants, individually and in concert, directly and indirectly, by the  
5 use, means, or instrumentalities of interstate commerce and/or the mails, engaged  
6 and participated in a continuous course of conduct to conceal adverse material  
7 information about the Company's business, operations, and prospects, as specified  
8 herein. Defendants employed devices, schemes, and artifices to defraud, while in  
9 possession of material adverse non-public information and engaged in acts, practices,  
10 and a course of conduct as alleged herein in an effort to assure investors of the  
11 Company's business, operations, and prospects, which included the making of, or  
12 the participation in the making of, untrue statements of material facts and/or omitting  
13 to state material facts necessary in order to make the statements made about Trade  
14 Desk and its business, operations, and future prospects in light of the circumstances  
15 under which they were made, not misleading, as set forth more particularly herein,  
16 and engaged in transactions, practices, and a course of conduct of business that  
17 operated as a fraud and deceit upon the purchasers of the Company's Class A  
18 common stock during the Class Period.

19 71. Each of the Individual Defendants' primary liability and controlling-  
20 person liability, arises from the following facts: (i) each of the Individual Defendants  
21 was a high-level executive and/or director at the Company during the Class Period  
22 and a member of the Company's management team or had control thereof; (ii) each  
23 of the Individual Defendants, by virtue of his responsibilities and activities as a  
24 senior officer and/or director of the Company, was privy to and participated in the  
25 creation, development, and reporting of the Company's business, operations, and  
26 prospects; (iii) each of the Individual Defendants enjoyed significant personal  
27 contact and familiarity with the other Defendants and was advised of and had access  
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1 to, other members of the Company's management team, internal reports, and other  
2 data and information about the Company's financial condition and performance at  
3 all relevant times; and (iv) each of the Individual Defendants was aware of the  
4 Company's dissemination of information to the investing public, which they knew  
5 and/or recklessly disregarded was materially false and misleading.

6 72. Defendants had actual knowledge of the misrepresentations and/or  
7 omissions of material facts set forth herein or acted with reckless disregard for the  
8 truth in that they failed to ascertain and to disclose such facts, even though such facts  
9 were available to them. Such Defendants' material misrepresentations and/or  
10 omissions were done knowingly or recklessly and for the purpose and effect of  
11 concealing the Company's operating condition, business practices, and prospects  
12 from the investing public and supporting the artificially inflated and/or maintained  
13 price of its Class A common stock. As demonstrated by Defendants' overstatements  
14 and misstatements of the Company's business, operations, and prospects throughout  
15 the Class Period, Defendants, if they did not have actual knowledge of the  
16 misrepresentations and/or omissions alleged, were reckless in failing to obtain such  
17 knowledge by deliberately refraining from taking those steps necessary to discover  
18 whether those statements were false or misleading.

19 73. As a result of the dissemination of the materially false and/or  
20 misleading information and/or failure to disclose material facts, as set forth above,  
21 the market price of Trade Desk Class A common stock was artificially inflated, and  
22 relying directly or indirectly on the false and misleading statements made by  
23 Defendants or upon the integrity of the market in which the shares and stock traded  
24 or trades, and/or in the absence of material adverse information that was known or  
25 recklessly disregarded by Defendants, but not disclosed in public statements by  
26 Defendants during the Class Period, Plaintiff and the other members of the Class  
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1 purchased Trade Desk Class A common stock during the Class Period at artificially  
2 inflated prices and were damaged thereby.

3 74. At the time of said misrepresentations and omissions, Plaintiff and  
4 other members of the Class were ignorant of their falsity and believed them to be  
5 true. Had Plaintiff, the other members of the Class, and the marketplace known of  
6 the truth regarding the problems that Trade Desk was experiencing, which were not  
7 disclosed by Defendants, Plaintiff and other members of the Class would not have  
8 purchased Trade Desk Class A common stock, or, if they had purchased such shares  
9 or stock during the Class Period, they would not have done so at the artificially  
10 inflated prices that they paid.

11 75. By virtue of the foregoing, Trade Desk and the Individual Defendants  
12 each violated § 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

13 76. As a direct and proximate result of Defendants' wrongful conduct,  
14 Plaintiff and the other members of the Class suffered damages in connection with  
15 their purchases of the Company's Class A common stock during the Class Period.

## 16 **COUNT II**

### 17 **For Violations of Section 20(a) of the Exchange Act** 18 **Against the Individual Defendants**

19 77. Plaintiff repeats and re-alleges each and every allegation contained  
20 above as if fully set forth herein.

21 78. The Individual Defendants acted as controlling persons of Trade Desk  
22 within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue  
23 of their high-level positions with the Company, participation in, and/or awareness of  
24 the Company's operations, and intimate knowledge of the false statements filed by  
25 the Company with the SEC and disseminated to the investing public, the Individual  
26 Defendants had the power to influence and control and did influence and control,  
27 directly or indirectly, the decision-making of the Company, including the content  
28 and dissemination of the various statements that Plaintiff contends are false and

misleading. Each of the Individual Defendants was provided with or had unlimited access to copies of the Company's reports, press releases, public filings, and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

79. In particular, the Individual Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, had the power to control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

80. As set forth above, Trade Desk and the Individual Defendants each violated § 10(b) and Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their position as controlling persons, the Individual Defendants are liable pursuant to § 20(a) of the Exchange Act. As a direct and proximate result of these Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's Class A common stock during the Class Period.

#### **PRAYER FOR RELIEF**

81. WHEREFORE, Plaintiff, individually and on behalf of the Class, prays for relief and judgment as follows:

- a) Declaring this action to be a class action pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure on behalf of the Class defined herein;
- b) Awarding Plaintiff and the other members of the Class damages in an amount that may be proven at trial, together with interest thereon;
- c) Awarding Plaintiff and the members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys' and experts' witness fees and other costs; and



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d) Awarding such other relief as this Court deems appropriate.

**JURY DEMAND**

82. Plaintiff demands a trial by jury.

Dated:

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