

Historic Privacy Settlement Reached for Zoom App Users Nationwide

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Tina Wolfson of Ahdoot & Wolfson and Mark Molumphy of Cotchett, Pitre & McCarthy, LLP, the Co-Lead Counsel representing Zoom subscribers and users, announced a groundbreaking agreement with Zoom to settle a nationwide class action based on allegations that Zoom failed to provide end-to-end encryption of Zoom meetings, improperly shared user information, and left many exposed to “Zoombombing” by unauthorized third parties.

Under the proposed settlement, Zoom will pay \$85 million in cash compensation and implement comprehensive reforms to its business. The settlement is subject to Court approval, and a motion for preliminary approval was just filed in the Northern District of California.

Earlier this year, the Court ruled on Zoom’s motion to dismiss, addressing several novel issues raised by the case, including application of Section 230 of the Communication Decency Act and alleged violation of privacy and unfair competition laws in California, where Zoom is based. The Court allowed several claims in the litigation to move forward.

Mark Molumphy, a partner at Cotchett, Pitre & McCarthy, LLP said:

“Millions of Americans continue to use Zoom’s platform with the expectation that their conversations will be kept private and secure. If approved by the Court, this groundbreaking settlement will provide a substantial cash recovery to Zoom users and implement privacy practices that, going forward, will help ensure that users are safe and protected.”

Tina Wolfson, a partner at Ahdoot Wolfson said: “In the age of corporate surveillance, this historic settlement recognizes that data is the new oil and compensates consumers for unwittingly providing data in exchange for a “free” service. It also compensates those who paid for a product

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Practice Areas

Securities / Financial Fraud

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they did not receive and commits Zoom to changing its corporate behavior to better inform consumers about their privacy choices and provide stronger cybersecurity.”

The case is *In re Zoom Video Communications, inc. Privacy Litigation*, Case No. 5:20-cv-02155-LHK (N.D.Cal).