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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

PATRICK COTTER and ALEJANDRA
MACIEL, JEFFREY KNUDTSON on
behalf of themselves and all others similarly
situated,

Plaintiffs,

v.

LYFT, INC.,

Defendant.

Case No. 3:13-cv-04065-VC

**REVISED CLASS ACTION
SETTLEMENT AGREEMENT AND
RELEASE**

Judge: Hon. Vince Chhabria

Date Filed: September 3, 2013

Trial Date: None Set

Revised Class Action Settlement Agreement and Release

This Revised Class Action Settlement Agreement and Release, including Exhibits A–E hereto (“Settlement Agreement” or “Agreement”), is made and entered into by, between, and among Plaintiffs Patrick Cotter, Alejandra Maciel, and Jeffrey Knudtson (collectively “Named Plaintiffs”), on behalf of themselves and the Settlement Class as defined below, and Defendant Lyft, Inc. (“Defendant” or “Lyft”). Named Plaintiffs and Defendant (collectively, the “Parties”) enter into this Agreement to effect a full and final settlement and dismissal with prejudice of all claims brought against Lyft in *Cotter et al. v. Lyft, Inc.*, Case No. 3:13-cv-04065-VC (N.D. Cal.), including as amended pursuant to this Agreement (the “Action”), and all claims based on or reasonably related thereto. This Agreement is intended to fully and finally compromise, resolve, discharge, and settle the Released Claims, as defined and on the terms set forth below, and to the full extent reflected herein, subject to the approval of the Court.

I. RECITALS

1. This Agreement is made in consideration of the following facts:

2. WHEREAS, on September 3, 2013, Plaintiff Patrick Cotter filed a complaint in the Northern District of California asserting various wage- and expense-related claims against Lyft on behalf of himself and a proposed class of Drivers nationwide, thereby initiating the Action, *see* Docket Entry No. 1;

3. WHEREAS, on November 4, 2013, Plaintiff Cotter, along with Plaintiff Alejandra Maciel, filed a first amended complaint in the Action asserting various wage-, hour-, and expense-related claims against Lyft on behalf of themselves and a proposed class of Drivers nationwide, *see* Docket Entry No. 10;

4. WHEREAS, on December 23, 2013, Plaintiffs Cotter and Maciel filed a second amended complaint asserting various wage-, hour-, and expense-related claims against Lyft on behalf of themselves and a proposed class of Drivers nationwide, *see* Docket Entry No. 28;

5. WHEREAS, on August 7, 2014, the Court struck the class allegations in the Action on the grounds that the California laws asserted in the complaint did not create a cause of action for Drivers who drove entirely outside of California and that the choice of law provision in

1 Lyft's Terms of Service did not create a cause of action under California law, *see* Docket Entry
2 No. 51;

3 6. WHEREAS, on August 28, 2014, Plaintiffs Cotter and Maciel filed a third
4 amended complaint in the Action asserting various wage-, hour-, and expense-related claims
5 against Lyft on behalf of themselves and a proposed class of Drivers in California, *see* Docket
6 Entry No. 55;

7 7. WHEREAS, on March 11, 2015, the Court denied the Parties' cross-motions for
8 summary judgment in the Action as to Plaintiffs Cotter and Maciel, *see* Docket Entry No. 94;

9 8. WHEREAS, on July 15, 2015, the Named Plaintiffs filed a fourth amended
10 complaint in the Action asserting various wage-, hour-, and expense-related claims against Lyft
11 on behalf of themselves and a proposed class of Drivers in California, *see* Docket Entry No. 144;

12 9. WHEREAS, the Parties have engaged in extensive discovery, including all of the
13 following: Named Plaintiffs propounded multiple sets of written discovery, reviewed more than
14 8,300 pages of documents produced by Lyft, and analyzed several sets of confidential data made
15 available by Lyft; Named Plaintiffs deposed multiple Lyft employees, including a Lyft senior
16 executive; Lyft propounded written discovery and reviewed more than 1,700 pages of documents
17 produced by Named Plaintiffs; and Lyft deposed Plaintiffs Cotter and Maciel.

18 10. WHEREAS, the Named Plaintiffs allege generally that Lyft improperly classified
19 them and all putative Settlement Class Members as independent contractors rather than
20 employees, and assert derivative claims related thereto;

21 11. WHEREAS, Lyft denies the allegations in the Action; denies that it has engaged in
22 any wrongdoing; denies that any Settlement Class Member is or ever was an employee of Lyft;
23 denies that it took gratuities from any Driver; denies that it failed to pay any Driver a minimum
24 wage to the extent required by California law; denies that it failed to reimburse any Driver for
25 business expenses to the extent required by California law; denies that it failed to provide any
26 Driver with wage statements to the extent required by California law; denies that the Named
27 Plaintiffs' allegations state valid claims; denies that a litigation class could properly be certified in
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1 the Action; and states that it is entering into this Settlement Agreement solely to eliminate the
2 uncertainties, burden, expense, and delay of further protracted litigation;

3 12. WHEREAS, the Parties attended four mediation sessions with the Hon. Magistrate
4 Judge Donna M. Ryu before agreeing to the terms of an arm's-length settlement (the "Initial
5 Settlement Agreement");

6 13. WHEREAS, on January 26, 2016, Named Plaintiffs filed a motion for preliminary
7 approval of the Initial Settlement Agreement, on March 10, 2016, Named Plaintiffs filed a
8 supplemental brief in support of preliminary approval, and on March 17, 2016, Lyft filed a brief
9 in further support of preliminary approval, *see* Docket Entry Nos. 169, 177, and 185;

10 14. WHEREAS, on March 24, 2016, the Court held a hearing on preliminary approval
11 of the Initial Settlement Agreement;

12 15. WHEREAS, on April 7, 2016, the Court issued an order denying preliminary
13 approval of the Initial Settlement Agreement and outlining the terms of a revised settlement that
14 "the Court would, at least on the current record, preliminarily approve," *see* Docket Entry No.
15 200;

16 16. WHEREAS, the Parties attended a fifth mediation session with the Hon.
17 Magistrate Judge Donna M. Ryu before agreeing to the terms of a revised arm's-length
18 settlement, the instant Settlement Agreement;

19 17. WHEREAS, the Named Plaintiffs and Class Counsel believe that the Settlement
20 Agreement provides a favorable recovery for the Settlement Class, based on the claims asserted,
21 the evidence developed, and the damages that might be proven against Lyft in the Action. The
22 Named Plaintiffs and Class Counsel further recognize and acknowledge the expense and length of
23 continued proceedings necessary to prosecute the Action against Lyft through trial and appeals.
24 They have also considered the uncertain outcome and the risk of any litigation, especially in
25 complex litigation such as the Action, as well as the difficulties and delays inherent in any such
26 litigation. They are also mindful of the inherent challenges of proof and the strength of the
27 defenses to the alleged claims, and therefore believe that it is desirable that the Released Claims
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1 be fully and finally compromised, settled, and resolved with prejudice and enjoined as set forth
2 herein;

3 18. WHEREAS, the Named Plaintiffs and Class Counsel, based on their own
4 independent investigations and evaluations, have examined the benefits to be obtained under the
5 terms of this Settlement Agreement, have considered the claims of the Named Plaintiffs, the
6 claims of the average Settlement Class Member, the risks associated with the continued
7 prosecution of the Action, and the likelihood of success on the merits of the Action, and believe
8 that, after considering all the circumstances, including the uncertainties surrounding the risk of
9 further litigation and the defenses that Lyft has asserted and could assert, the proposed Settlement
10 set forth in this Agreement is fair, reasonable, adequate, in the best interests of the Named
11 Plaintiffs and the Settlement Class, and confers substantial benefits upon the Settlement Class;

12 19. WHEREAS, Named Plaintiffs warrant and represent that they are effecting this
13 Settlement and executing this Agreement after having received full legal advice as to their
14 respective rights and have had the opportunity to obtain independent counsel to review this
15 Agreement;

16 20. WHEREAS, the Parties further agree that the Agreement, the fact of this
17 Settlement, any of the terms in the Agreement, and any documents filed in support of the
18 Settlement shall not constitute, or be offered, received, claimed, construed, or deemed as, an
19 admission, finding, or evidence of: (i) any wrongdoing, (ii) any violation of any statute or law,
20 (iii) any liability on the claims or allegations in the Action on the part of any Released Parties, or
21 (iv) the propriety of certifying a litigation class in the Action or any other proceeding, and shall
22 not be used by any Person for any purpose whatsoever in any legal proceeding, including but not
23 limited to arbitrations, other than a proceeding to enforce the terms of the Agreement. There has
24 been no final determination by any court as to the merits of the claims asserted by Named
25 Plaintiffs against Lyft, nor has there been any final determination as to whether a class should be
26 certified, other than for settlement purposes only;

27 21. WHEREAS, for settlement purposes only, Lyft will stipulate to the certification of
28 class claims that are subject to the certification requirements of Rule 23. Lyft disputes that

1 certification is proper for the purposes of litigating the class' claims proposed in or flowing from
2 the operative complaint in the Action;

3 22. WHEREAS, the Parties desire to compromise and settle all issues and claims that
4 have been, could have been, or should have been brought against Lyft in the Action;

5 23. NOW, THEREFORE, IT IS HEREBY STIPULATED, CONSENTED TO, AND
6 AGREED, by the Named Plaintiffs, for themselves and on behalf of the Settlement Class, and by
7 Lyft that, subject to the approval of the Court, the Action shall be settled, compromised, and
8 dismissed, on the merits and with prejudice, and the Released Claims shall be finally and fully
9 compromised, settled, and dismissed as to the Released Parties, in the manner and upon the terms
10 and conditions hereafter set forth in this Agreement.

11 **II. DEFINITIONS**

12 24. In addition to the terms defined elsewhere in this Agreement, the following terms,
13 used in this Settlement Agreement, shall have the meanings specified below:

14 a) "Amended Complaint for Settlement" means the Amended Complaint in
15 the Action, without material variation from Exhibit E, that Class Counsel shall seek to file
16 pursuant to Paragraph 25 and shall file concurrently with the Preliminary Approval Order.

17 b) "Asserted Claims" means all claims asserted in the Amended Complaint
18 for Settlement and their associated allegations and prayer for relief.

19 c) "Authorized Claimant" means any Settlement Class Member who submits
20 a valid and timely Claim that qualifies for a payment under the terms of this Settlement
21 Agreement.

22 d) "Bar Date" means the final date by which a Claim Form must be
23 postmarked or submitted online in order for a Settlement Class Member to be eligible to receive a
24 Settlement Payment. The Bar Date shall be the date of the Fairness Hearing, and shall be
25 specifically identified and set forth in the Preliminary Approval Order and the Class Notice.

26 e) "Claim" means the submission to be made by Settlement Class Members,
27 using the Claim Form.
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1 f) "Claim Form" means the claim form to be developed by the Parties and the
2 Settlement Administrator, or an electronic equivalent of such claim form.

3 g) "Class Counsel" means Lichten & Liss-Riordan, P.C.

4 h) "Class Members' Released Claims" means any and all past and present
5 claims, actions, demands, causes of action, suits, debts, obligations, damages, rights or liabilities,
6 of any nature and description whatsoever, known or unknown, existing or potential, recognized
7 now or hereafter, expected or unexpected, pursuant to any theory of recovery (including but not
8 limited to those based in contract or tort, common law or equity, federal, state, or local law,
9 statute, ordinance, or regulation, and for claims for compensatory, consequential, punitive or
10 exemplary damages, statutory damages, penalties, interest, attorneys' fees, costs, or
11 disbursements, including but not limited to those incurred by Class Counsel or any other counsel
12 representing the Named Plaintiffs or any Settlement Class Members, other than those expressly
13 awarded by the Court in the Fee and Expense Award authorized by this Agreement) that are
14 based on or reasonably related to the claims asserted in the Action, including as amended
15 pursuant to this Agreement, and specifically the following claims based on or reasonably relating
16 to claims asserted or alleged in the Action: claims for unpaid wages (including claims for
17 minimum wage, regular wages, overtime, final wages, calculation of the correct overtime or
18 regular rate, and meal period and rest period premiums), expense reimbursements, interest,
19 penalties (including waiting time penalties pursuant to Labor Code section 203, wage statement
20 penalties pursuant to Labor Code section 226, and civil penalties pursuant to the Labor Code
21 Private Attorneys General Act of 2004 (Labor Code sections 2698, et seq.) ("PAGA")), claims
22 pursuant to Labor Code sections 200–204, 206.5, 207, 208, 210–214, 216, 218, 218.5, 218.6, 221,
23 225.5, 226, 226.3, 226.7, 226.8, 227.3, 351, 353, 432.4, 510, 512, 551–552, 558, 1174, 1174.5,
24 1182.12, 1194, 1194.2, 1194.3, 1197, 1197.1, 1198, 2753, 2802, 2804, and 2699 et seq., Code of
25 Civil Procedure section 1021.5, California Code of Regulations, Title 8, Sections 11010 and
26 11040, the Industrial Welfare Commission Wage Orders, and claims under Business and
27 Professions Code section 17200, et seq., the federal Fair Labor Standards Act, claims for
28 attorneys' fees and costs, and unfair business practices.

1 i) "Class Notice" means the notice of settlement to be provided to Settlement
2 Class Members pursuant to Federal Rule of Civil Procedure 23, the Preliminary Approval Order,
3 and this Settlement Agreement.

4 j) "Court" means the United States District Court for the Northern District of
5 California.

6 k) "Dispute Resolution Fund" means the fund consisting of one hundred
7 thousand dollars (\$100,000) set aside from the Settlement Amount to be used: (i) to resolve any
8 bona fide disputes that may arise regarding the calculation and disbursement of Settlement
9 Payments according to the Plan of Allocation, as provided in Paragraph 52; and (ii) to disburse
10 Settlement Payments to individuals mistakenly excluded from the Settlement Class, as provided
11 in Paragraph 67.

12 l) "District Court Final Approval Order" means the Final Judgment and
13 order, which will be agreed to by the Parties, that is entered by the Court finally approving the
14 Settlement and this Settlement Agreement in all respects, as further set forth in Paragraph 30.

15 m) "Driver" means any individual who has been approved by Lyft to use the
16 Lyft smartphone application in "driver mode."

17 n) "Effective Date" means seven (7) days after which both of the following
18 events have occurred: (i) the District Court Final Approval Order has been entered and (ii) the
19 District Court Final Approval Order and Judgment have become Final.

20 o) "Enhancement Payment" means the amount approved by the Court to be
21 paid to each Named Plaintiffs, in addition to their respective payments under the Plan of
22 Allocation, and as further described in Paragraph 39, in recognition of their efforts in coming
23 forward as Named Plaintiffs and as consideration for a full, general, and comprehensive release of
24 the Named Plaintiffs' General Released Claims. Under the terms of Paragraph 39, Enhancement
25 Payments are payable fourteen (14) days after the Effective Date. Enhancement Payments shall
26 be considered non-wages for which IRS Form 1099 will be issued to each of the Named
27 Plaintiffs.
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1 p) “Escrow Account” means the bank account maintained by the Escrow
2 Agent into which the Settlement Fund shall be deposited, pursuant to the Escrow Agreement,
3 which shall be agreed to by the Parties.

4 q) “Escrow Agent” means Garden City Group, the entity mutually agreed
5 upon by Lyft and Class Counsel to maintain the Escrow Account, into which the Settlement Fund
6 shall be deposited in accordance with the terms of this Agreement.

7 r) “Exclusion/Objection Deadline” means the final date by which a
8 Settlement Class Member may either (i) object to any aspect of the Settlement (pursuant to the
9 Preliminary Approval Order and Section XI), or (ii) request to be excluded from the Settlement
10 (pursuant to the Preliminary Approval Order and Section X). The Exclusion/Objection Deadline
11 shall be sixty (60) days after the Mailed Notice Date, and shall be specifically identified and set
12 forth in the Preliminary Approval Order and the Class Notice.

13 s) “Fairness Hearing” means the hearing at or after which the Court will make
14 a final decision pursuant to Federal Rule of Civil Procedure 23 as to whether the Settlement is
15 fair, reasonable, and adequate and, therefore, finally approved by the Court.

16 t) “Fee and Expense Award” means the attorneys’ fees and expenses as
17 awarded by the Court to Class Counsel and as further described in Paragraph 40. Under the terms
18 of Paragraph 40, the Fee and Expense Award is payable fourteen (14) days after the Effective
19 Date.

20 u) “Final,” when referring to a judgment order, means that (i) the judgment is
21 a final, appealable judgment; and (ii) either (a) no appeal has been taken from the judgment as of
22 the date on which all times to appeal therefrom have expired, or (b) an appeal or other review
23 proceeding of the judgment having been commenced, such appeal or other review is finally
24 concluded and no longer is subject to review by any court, whether by appeal, petitions for
25 rehearing or re-argument, petitions for rehearing en banc, petitions for writ of certiorari, or
26 otherwise, and such appeal or other review has been finally resolved in such manner that affirms
27 the judgment order in its entirety.
28

1 v) “Judgment” means the judgment to be entered in the Action on final
2 approval of this Settlement, pursuant to Paragraph 30 and elsewhere in this Agreement.

3 w) “Legally Authorized Representative” means an
4 administrator/administratrix, personal representative, or executor/executrix of a deceased
5 Settlement Class Member’s estate; a guardian, conservator, or next friend of an incapacitated
6 Settlement Class Member; or any other legally appointed Person responsible for handling the
7 business affairs of a Settlement Class Member.

8 x) “Mailed Notice Date” means the date of the initial distribution of the
9 Notice of Settlement of Class Action to potential Settlement Class Members, as provided in
10 Paragraphs 25 and 58.

11 y) “Named Plaintiffs’ General Released Claims” means any and all past,
12 present, and future claims, actions, demands, causes of action, suits, debts, obligations, damages,
13 rights or liabilities, of any nature and description whatsoever, known or unknown, existing or
14 potential, recognized now or hereafter, expected or unexpected, pursuant to any theory of
15 recovery (including but not limited to those based in contract or tort, common law or equity,
16 federal, state, or local law, statute, ordinance, or regulation, and for claims for compensatory,
17 consequential, punitive or exemplary damages, statutory damages, penalties, interest, attorneys’
18 fees, costs, or disbursements against the Releasees (as defined below), including unknown claims
19 covered by California Civil Code section 1542, as quoted below in Paragraph 71, by the Named
20 Plaintiffs, arising during the period from the beginning of the Named Plaintiffs’ first interaction
21 with Lyft to the date on which the Court enters the Order of Final Approval of this Settlement, for
22 any type of relief that can be released as a matter of law, including, without limitation, claims for
23 wages, damages, unpaid costs, penalties (including civil and waiting time penalties), liquidated
24 damages, punitive damages, interest, attorneys’ fees, litigation costs, restitution, or equitable
25 relief with the exception of any claims which cannot be released as a matter of law. Plaintiffs
26 Cotter, Maciel, and Knudtson will generally release all known and unknown claims against Lyft,
27 and waive the application of section 1542 of the California Civil Code conditioned upon Court
28 approval of an Enhancement Payment for them. The claims released pursuant to this paragraph

1 include but are not limited to the Class Members' Released Claims, as well as any other claims
 2 under any provision of the Fair Labor Standards Act, the California Labor Code (including
 3 sections 132a, 4553 et seq.) or any applicable California Industrial Welfare Commission Wage
 4 Orders, and claims under state or federal discrimination statutes, including, without limitation, the
 5 California Fair Employment and Housing Act, California Government Code section 12940 et
 6 seq.; the Unruh Civil Rights Act, California Civil Code section 51 et seq.; the California
 7 Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000 et seq.; the Americans
 8 with Disabilities Act, 42 U.S.C. § 12101 et seq.; the Age Discrimination in Employment Act of
 9 1967, as amended; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et
 10 seq.; and all of their implementing regulations and interpretive guidelines.

11 z) "Net Settlement Fund" means the Settlement Fund less the PAGA
 12 Payment, the Fee and Expense Award, Enhancement Payments, escrow fees, costs, Taxes, and
 13 expenses (including, but not limited to, any cost and expenses paid out of the Notice and
 14 Administration Fund, any estimated future costs and expenses approved by the Court) approved
 15 by the Court as further provided in this Agreement, and all other funds, payments, and amounts
 16 provided for in subparts (a) through (f) of Paragraph 78.

17 aa) "Notice and Administration Fund" means the fund consisting of one
 18 hundred thousand dollars (\$100,000) advanced by Lyft from the Settlement Amount to the
 19 Escrow Account to be used by the Settlement Administrator at the direction of Class Counsel to
 20 pay the costs of notifying the Settlement Class Members, soliciting the filing of Claims by
 21 Settlement Class Members, assisting Settlement Class Members in making their Claims, and
 22 otherwise administering, on behalf of the Settlement Class Members, the Settlement embodied in
 23 this Settlement Agreement, as further described in this Agreement. The monies in the Notice and
 24 Administrative Fund are part of the Settlement Amount to be paid by the Lyft. If for any reason
 25 the Settlement does not become Final or the Effective Date does not occur, the remaining money
 26 deposited into the Notice and Administration Fund shall be returned to Lyft, in accordance with
 27 the terms of the Escrow Agreement, and as further provided in Paragraph 66.

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1 bb) “Notice of Settlement of Class Action” means the long-form Court-
2 approved notice, without material variation from Exhibit B.

3 cc) “Opt-Out List” means the Court-approved list of all Persons who timely
4 and properly requested exclusion from the Settlement Class, as further provided in Section X and
5 Paragraph 30.

6 dd) “PAGA Claims” means the Named Plaintiffs’ representative action seeking
7 penalties pursuant to the Private Attorneys General Act of 2004 (“PAGA”) alleged in the
8 operative complaint in the Action.

9 ee) “PAGA Payment” means a total payment of one million dollars
10 (\$1,000,000) to settle all claims under the PAGA. From this amount, seventy-five percent (75%),
11 or seven-hundred fifty-thousand dollars (\$750,000), will be paid to the California Labor and
12 Workforce Development Agency (“LWDA”) for civil penalties pursuant to the PAGA and twenty
13 five percent (25%), or two-hundred fifty-thousand dollars (\$250,000), will be distributed to Class
14 Members.

15 ff) “Person” means any individual, corporation, partnership, association,
16 affiliate, joint stock company, estate, trust, unincorporated association, entity, government and
17 any political subdivision thereof, or any other type of business or legal entity.

18 gg) “Plan of Allocation” means the plan for allocating the Net Settlement Fund
19 between and among Authorized Claimants as approved by the Court, as further set forth in
20 Paragraphs 43–49. Settlement Payments pursuant to the Plan of Allocation shall be considered
21 non-wages for which IRS Form 1099 will be issued to Authorized Claimants if required.

22 hh) “Preliminary Approval Date” means the date that the Court enters the
23 Preliminary Approval Order and thus: (i) preliminarily approves the Settlement, and the exhibits
24 thereto, and (ii) enters an order providing for notice to the Settlement Class, an opportunity to opt
25 out of the Settlement Class, an opportunity to submit timely objections to the Settlement, a
26 procedure for submitting claims, and setting a hearing on the fairness of the terms of Settlement,
27 including approval of attorneys’ fees and costs.

28

1 ii) “Preliminary Approval Order” means the Order that the Named Plaintiffs
2 and Lyft will seek from the Court, without material variation from Exhibit A. Entry of the
3 Preliminary Approval Order shall constitute preliminary approval of the Settlement Agreement.

4 jj) “Released Claims” means (i) Class Members’ Released Claims and
5 (ii) Named Plaintiffs’ General Released Claims.

6 kk) “Released Parties” or “Releasees” means (i) Lyft and its past, present, and
7 future parents, subsidiaries, affiliates, divisions, joint ventures, licensees, franchisees, and any
8 other legal entities, whether foreign or domestic, that are owned or controlled by Lyft and (ii) the
9 past, present, and future shareholders, officers, directors, members, agents, employees,
10 independent contractors, consultants, representatives, fiduciaries, insurers, attorneys, legal
11 representatives, predecessors, successors, and assigns of the entities in Part (i) of this
12 Subparagraph.

13 ll) “Ride” means the pickup and transportation of a passenger or group of
14 passengers traveling together, from origin to destination, by a Driver. A Ride begins when the
15 Driver uses the Lyft smartphone application to accept a transportation request from a passenger
16 and such acceptance is recorded by Lyft. A Ride ends when the Driver selects the “drop off” or
17 equivalent option in the Lyft smartphone application (or the application selects such option
18 automatically) and such selection is recorded by Lyft.

19 mm) “Ride Mode” means the period between the beginning and end of a Ride.

20 nn) “Settlement” means the settlement of the Action between and among the
21 Named Plaintiffs, the Settlement Class Members, and Defendant, as set forth in this Settlement
22 Agreement.

23 oo) “Settlement Administrator” means Garden City Group, the neutral, third-
24 party settlement administrator to be appointed by the Court.

25 pp) “Settlement Amount” means twenty-seven million dollars (\$27,000,000).

26 qq) “Settlement Class” means all Drivers who gave at least one Ride in
27 California during the Settlement Class Period. Excluded from the Settlement Class are Class
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Counsel and their employees and immediate family members and the judicial officers and associated court staff assigned to the Action and their immediate family members.

rr) “Settlement Class Member” means any member of the Settlement Class.

ss) “Settlement Class Period” means the period from May 25, 2012 through the Preliminary Approval Date.

tt) “Settlement Fund” means the Settlement Amount.

uu) “Settlement Payment” means the payment to a Settlement Class Member calculated pursuant to the Plan of Allocation.

vv) “Summary Notice of Settlement of Class Action” means the form of summary notice, without material variation from Exhibit C.

III. SUBMISSION OF THE SETTLEMENT AGREEMENT TO THE COURT FOR PRELIMINARY AND FINAL APPROVAL

25. Promptly upon execution of this Settlement Agreement, the Named Plaintiffs shall submit to the Court the Amended Complaint for Settlement, which Named Plaintiffs shall seek to enter pursuant to the agreement of the parties, and a motion for preliminary approval of the Settlement. The motion for preliminary approval shall include a proposed plan for the sending of the Notice of Settlement of Class Action to Settlement Class Members within sixty (60) days after the Preliminary Approval Date (the Mailed Notice Date), and establishing a period of sixty (60) days from the Mailed Notice Date within which any Settlement Class Member may (i) request exclusion from the Settlement Class, (ii) object to the proposed Settlement, or (iii) object to Class Counsel’s request for attorneys’ fees and costs and for enhancement payments to the Named Plaintiffs (the Exclusion/Objection Deadline). The motion for preliminary approval shall also request that any hearing on final approval of the Settlement and any determination on the request for attorneys’ fees, costs, and enhancement payments (the “Fairness Hearing”) be set for no earlier than twenty-one (21) days after the Exclusion/Objection Deadline; that Class Counsel shall file a petition for awards of attorneys’ fees and costs and enhancement payments at least twenty-one (21) days before the Exclusion/Objection Deadline; and that any reply briefs on such motions and petitions be filed fourteen (14) days before the Fairness Hearing.

1 26. The Parties stipulate to certification under Federal Rules of Civil Procedure 23(a)
2 and 23(b)(3), for settlement purposes only, of the Settlement Class, excluding the Settlement
3 Class's PAGA Claims. Each Party agrees that this stipulation shall not be used by any Person for
4 any purpose whatsoever in any legal proceeding, including but not limited to arbitrations, other
5 than a proceeding to enforce the terms of the Agreement, as further set forth in this Agreement.

6 27. The Parties and their counsel shall use their best efforts to obtain a District Court
7 Final Approval Order approving the Settlement.

8 28. The Parties agree to submit to the Court for its consideration this Settlement
9 Agreement, including all Exhibits: Preliminary Approval Order (Exhibit A); Notice of Settlement
10 of Class Action (Exhibit B), Summary Notice of Settlement of Class Action (Exhibit C),
11 Summary of Revisions to Lyft's Terms of Service and Product (Exhibit D), and Amended
12 Complaint for Settlement (Exhibit E).

13 29. Solely for purposes of implementing this Agreement and effectuating the proposed
14 Settlement, the Parties agree and stipulate that:

15 a) Named Plaintiffs shall seek the Court's permission to enter the Amended
16 Complaint for Settlement, without material variation from Exhibit E, and Lyft shall consent to
17 such amendment pursuant to Federal Rule of Civil Procedure 15(a)(2). The Amended Complaint
18 for Settlement shall be submitted concurrently with the submission of the motion for preliminary
19 approval of the Settlement so that such complaint may be entered promptly upon approval of the
20 Court. Obtaining the Court's approval to file the Amended Complaint for Settlement, and the
21 subsequent prompt entry of the Amended Complaint for Settlement, are material conditions of
22 this Settlement Agreement. The Parties agree that the filing of the Amended Complaint for
23 Settlement will streamline the settlement process and ensure that more money can be paid to
24 Settlement Class Members by saving the costs of multiple notice and approval processes. The
25 Parties further agree and stipulate that Lyft may seek an order from the Court that the allegations
26 in the Amended Complaint for Settlement are deemed controverted by the answer previously filed
27 by Lyft in response to the currently operative complaint, such that no further responsive pleading
28 from Lyft is required. If for any reason the Settlement does not become Final or the Effective

1 Date does not occur, the Amended Complaint for Settlement shall be stricken from the record and
2 the operative complaint shall revert to the filed complaint that preceded the Amended Complaint
3 for Settlement.

4 b) The Court may enter the Preliminary Approval Order, without material
5 variation from Exhibit A, preliminarily approving the Settlement and this Agreement. Among
6 other things, the Preliminary Approval Order shall grant leave to preliminarily certify the
7 Settlement Class for settlement purposes only; approve the Named Plaintiffs as class
8 representatives, appoint Class Counsel to represent the Settlement Class, and appoint the
9 Settlement Administrator; approve the Notice of Settlement of Class Action, the Summary Notice
10 of Settlement of Class Action, and the class notice plan embodied in the Settlement Agreement,
11 and approve them as consistent with Federal Rule of Civil Procedure 23 and due process; set out
12 the requirements for objecting to the Settlement, excluding Settlement Class Members from the
13 Settlement Class, all as provided in this Agreement; provide that certification and all actions
14 associated with certification are undertaken on the condition that the certification and other
15 actions shall be automatically vacated if this Agreement is terminated, as provided in this
16 Agreement; preliminarily enjoin all Settlement Class Members and their Legally Authorized
17 Representatives, unless and until they submit a timely request for exclusion pursuant to the
18 Settlement Agreement, from filing or otherwise participating in any other suit based on the Class
19 Members' Released Claims, or from attempting to effect an opt-out of a group, class, or subclass
20 of individuals; and schedule the Fairness Hearing.

21 30. At the Fairness Hearing, the Named Plaintiffs shall request entry of a District
22 Court Final Approval Order and a Judgment, to be agreed upon by the Parties, the entry of which
23 is a material condition of this Settlement Agreement, and that, among other things:

24 a) finally approves the Settlement as fair, reasonable, and adequate, within the
25 meaning of Federal Rule of Civil Procedure 23 and due process, and directs its consummation
26 pursuant to the terms of the Settlement Agreement;

27 b) finds that Class Counsel and the Named Plaintiffs adequately represented
28 the Settlement Class for the purpose of entering into and implementing the Agreement;

1 c) re-confirms the appointment of the Settlement Administrator and finds that
2 the Settlement Administrator has fulfilled its duties under the Settlement;

3 d) finds that the Class Notice (i) constituted the best practicable notice;
4 (ii) constituted notice that was reasonably calculated, under the circumstances, to apprise
5 Settlement Class Members of the pendency of the Action, and their right to exclude themselves
6 from or object to the proposed settlement and to appear at the Fairness Hearing; (iii) was
7 reasonable and constituted due, adequate, and sufficient notice to all persons entitled to receive
8 notice; and (iv) met all applicable requirements of Federal Rule of Civil Procedure 23, due
9 process, and any other applicable rules or law;

10 e) finds that the CAFA Notice sent by Lyft complied with 28 U.S.C. § 1715
11 and all other provisions of the Class Action Fairness Act of 2005;

12 f) approves the Opt-Out List and determines that the Opt-Out List is a
13 complete list of all Settlement Class Members who have timely requested exclusion from the
14 Settlement Class and, accordingly, shall neither share in nor be bound by the District Court Final
15 Approval Order and Judgment;

16 g) dismisses the Action on the merits and with prejudice, and without fees or
17 costs except as provided in this Agreement;

18 h) directs that the District Court Final Approval Order and Judgment of
19 dismissal shall be final and entered forthwith;

20 i) without affecting the finality of the District Court Final Approval Order
21 and Judgment, reserves jurisdiction over the Named Plaintiffs, the Settlement Class, and Lyft as
22 to all matters concerning the administration, consummation, and enforcement of this Settlement
23 Agreement;

24 j) adjudges that, as of the Effective Date, the Named Plaintiffs, and all
25 Settlement Class Members who have not been excluded from the Settlement Class as provided in
26 the Opt-Out List approved by the Court, and their heirs, estates, trustees, executors,
27 administrators, principals, beneficiaries, representatives, agents, assigns, and successors, and/or
28 anyone claiming through them or acting or purporting to act for them or on their behalf,

1 regardless of whether they have received actual notice of the proposed Settlement, have
2 conclusively compromised, settled, discharged, and released Named Plaintiffs' General Released
3 Claims (in the case of the Named Plaintiffs) and Class Members' Released Claims (in the case of
4 the Settlement Class Members) against Lyft and the Released Parties, and are bound by the
5 provisions of this Agreement;

6 k) declares this Agreement and the District Court Final Order and Judgment
7 to be binding on, and have res judicata and preclusive effect in, all pending and future lawsuits or
8 other proceedings: (i) that encompass the Named Plaintiffs' General Released Claims and that are
9 maintained by or on behalf of the Named Plaintiffs and/or their heirs, estates, trustees, executors,
10 administrators, principals, beneficiaries, representatives, agents, assigns, and successors, and/or
11 anyone claiming through them or acting or purporting to act for them or on their behalf, and
12 (ii) that encompass the Class Members' Released Claims and that are maintained by or on behalf
13 of any Settlement Class Member who has not been excluded from the Settlement Class as
14 provided in the Opt-Out List approved by the Court and/or his or her heirs, estates, trustees,
15 executors, administrators, principals, beneficiaries, representatives, agents, assigns, and
16 successors, and/or anyone claiming through them or acting or purporting to act for them or on
17 their behalf, regardless of whether the Settlement Class Member previously initiated or
18 subsequently initiates individual litigation or other proceedings encompassed by the Class
19 Members' Released Claims, and even if such Settlement Class Member never received actual
20 notice of the Action or this proposed Settlement;

21 l) permanently bars and enjoins the Named Plaintiffs, and all other Settlement
22 Class Members who have not been excluded from the Settlement Class as provided in the Opt-
23 Out List approved by the Court, from (i) filing, commencing, prosecuting, intervening in, or
24 participating (as class members or otherwise) in any other lawsuit or administrative, regulatory,
25 arbitration, or other proceeding in any jurisdiction based on the Named Plaintiffs' General
26 Released Claims (in the case of the Named Plaintiffs) and the Class Members' Released Claims
27 (in the case of the Settlement Class Members) and (ii) organizing Settlement Class Members into
28 a separate group, class, or subclass for purposes of pursuing as a purported class action any

lawsuit or administrative, regulatory, arbitration, or other proceeding (including by seeking to amend a pending complaint to include class allegations, or seeking class certification in a pending action) based on the Class Members' Released Claims;

m) determines that the Agreement and the Settlement provided for herein, and any proceedings taken pursuant thereto, are not, and should not in any event be offered, received, or construed as evidence of, a presumption, concession, or an admission by any Party of liability or non-liability or of the certifiability or non-certifiability of a litigation class, or of any misrepresentation or omission in any statement or written document approved or made by any Party; provided, however, that reference may be made to this Agreement and the Settlement provided for herein in such proceedings as may be necessary to effectuate the provisions of this Agreement, as further set forth in this Agreement;

n) orders that the certification of the Settlement Class and final approval of the proposed Settlement, and all actions associated with them, are undertaken on the condition that they shall be vacated if the Settlement Agreement is terminated or disapproved in whole or in part by the Court, or any appellate court and/or other court of review, or if Lyft invokes the right to withdraw from the settlement as provided in Paragraphs 87–88 in which event the Agreement and the fact that it was entered into shall not be offered, received, or construed as an admission or as evidence for any purpose, including but not limited to an admission by any Party of liability or non-liability or of any misrepresentation or omission in any statement or written document approved or made by any Party, or of the certifiability of a litigation class, as further provided in Paragraphs 90–91;

o) authorizes the Parties, without further approval from the Court, to agree to and adopt such amendments, modifications, and expansions of this Agreement, including all Exhibits hereto, as (i) shall be consistent in all material respects with the District Court Final Approval Order and (ii) do not limit the rights of Settlement Class Members; and

p) contains such other and further provisions consistent with the terms of this Settlement Agreement to which the Parties expressly consent in writing.

1 31. At the Fairness Hearing and as a part of the final approval of this Settlement, Class
 2 Counsel will also request approval of the Plan of Allocation set forth in Section V. Any
 3 modification to the Plan of Allocation by the Court shall not (i) affect the enforceability of the
 4 Settlement Agreement, (ii) provide any of the Parties with the right to terminate the Settlement
 5 Agreement, or (iii) impose any obligation on the Defendant to increase the consideration paid in
 6 connection with the Settlement.

7 32. At the Fairness Hearing, Class Counsel may also request entry of an Order
 8 approving Class Counsel's application for an award of attorneys' fees and expenses and for
 9 enhancement payments to the Named Plaintiffs. Any such Fee and Expense Award or
 10 Enhancement Payment shall be paid exclusively from the Settlement Fund. In no event shall Lyft
 11 otherwise be obligated to pay for any attorneys' fees and expenses or enhancement payments.
 12 The disposition of Class Counsel's application for a Fee and Expense Award, and for
 13 Enhancement Payments, is within the sound discretion of the Court and is not a material term of
 14 this Settlement Agreement, and it is not a condition of this Settlement Agreement that such
 15 application be granted. Any disapproval or modification of such application by the Court shall
 16 not (i) affect the enforceability of the Settlement Agreement, (ii) provide any of the Parties with
 17 the right to terminate the Settlement Agreement, or (iii) impose any obligation on the Defendant
 18 to increase the consideration paid in connection with the Settlement.

19 **IV. SETTLEMENT CONSIDERATION**

20 33. The Settlement includes both monetary and non-monetary components, as set forth
 21 in detail below.

22 34. The total monetary component of the Settlement from Lyft is the Settlement
 23 Amount (\$27,000,000). This is an "all in" number that includes, without limitation, all monetary
 24 benefits and payments to the Settlement Class, Enhancement Payments, Fee and Expense Award,
 25 escrow fees, Taxes and Tax Expenses (as defined below), PAGA Payment, and all other costs and
 26 expenses relating to the Settlement (including, but not limited to, administration costs and
 27 expenses, notice costs and expenses, and settlement costs and expenses). Under no circumstances
 28 shall Lyft be required to pay anything more than the Settlement Amount. In no event shall Lyft

1 be liable for making any payments under this Settlement, or for providing any relief to Settlement
2 Class Members, before the deadlines set forth in this Agreement.

3 35. Lyft shall pay this monetary component of the Settlement into the Escrow
4 Account, for the benefit of the Settlement Class, as follows: (i) within twenty-one (21) days of the
5 Preliminary Approval Date, Lyft shall pay into the Escrow Account one hundred thousand dollars
6 (\$100,000) to be used by the Settlement Administrator at the direction of Class Counsel for
7 reasonable costs in connection with providing notice of the Settlement to Settlement Class
8 Members and for other administrative expenses (the "Notice and Administration Fund"),
9 according to the terms in Section VI; and (ii) within seven (7) days after the Effective Date, Lyft
10 shall pay into the Escrow Account the remaining amount of the Settlement Amount
11 (\$26,900,000). After the Effective Date, Lyft shall not have any right to the return or reversion of
12 the Settlement Fund, or any portion thereof, except as provided in Section IX.

13 36. The Settlement Fund shall be deposited, at the times specified in Paragraph 35,
14 into an account backed by the full faith and credit of the United States government or an agency
15 thereof, such as an account insured by the Federal Deposit Insurance Corporation ("FDIC") pass-
16 through insurance program. The Parties and the Escrow Agent agree to treat the Settlement Fund
17 as a "qualified settlement fund" within the meaning of Treasury Regulation § 1.468B-1, and the
18 Escrow Agent, as administrator of the Escrow Account within the meaning of Treasury
19 Regulation § 1.468B-2(k)(3), shall be responsible for filing tax returns for the Escrow Account
20 and paying from the Escrow Account any and all taxes, including any interest or penalties thereon
21 (the "Taxes"), owed with respect to the Escrow Account, to the extent necessary. In addition, the
22 Escrow Agent shall timely make such elections as necessary or advisable to carry out the
23 provisions of this Paragraph, including if necessary the "relation-back election" (as defined in
24 Treas. Reg. § 1.468B-1) back to the earliest permitted date. Such elections shall be made in
25 compliance with the procedures and requirements contained in such regulations. It shall be the
26 responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary
27 documentation for signature by all necessary parties, and thereafter to cause the appropriate filing
28 to occur.

1 37. All Taxes arising with respect to the income, if any, earned by the Settlement
2 Fund, (including any Taxes that may be imposed upon the Defendant with respect to any income
3 earned by the Settlement Fund for any period during which the Settlement Fund does not qualify
4 as a “qualified settlement fund” for federal or state income tax purposes), and any expenses and
5 costs incurred in connection with the payment of Taxes pursuant to this Paragraph (including,
6 without limitation, expenses of tax attorneys and/or accountants and mailing, administration, and
7 distribution costs and expenses relating to the filing or the failure to file all necessary or advisable
8 tax returns (the “Tax Expenses”)), shall be paid out of the Settlement Fund. Lyft shall not have
9 any liability or responsibility for the Taxes or the Tax Expenses. The Escrow Agent shall timely
10 and properly file all informational and other tax returns necessary or advisable with respect to the
11 Settlement Fund and the distributions and payments therefrom, including, without limitation, the
12 tax returns described in Treas. Reg. § 1.468B–2(k), and to the extent applicable, Treas. Reg.
13 § 1.468B–2(1). Such tax returns shall be consistent with the terms herein, and in all events shall
14 reflect that all Taxes on the income earned by the Settlement Fund shall be paid out of the
15 Settlement Fund. The Escrow Agent shall also timely pay Taxes and Tax Expenses out of the
16 Settlement Fund to the extent necessary, and is authorized to withdraw from the Escrow Account
17 amounts necessary to pay Taxes and Tax Expenses. The Parties hereto agree to cooperate with
18 the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably
19 necessary to carry out the provisions of this Settlement Agreement. Neither the Parties nor their
20 counsel shall have any responsibility or liability for the acts or omissions of the Escrow Agent.

21 38. The Named Plaintiffs and all Settlement Class Members who receive a payment of
22 any kind from the Settlement Fund (including, in the case of the Named Plaintiffs, Enhancement
23 Payments) expressly acknowledge that such payments shall be considered non-wages for which
24 an IRS Form 1099 will be issued, if required. The Named Plaintiffs and all Settlement Class
25 Members who receive a payment of any kind from the Settlement Fund agree to timely pay in full
26 all of the federal, state, and municipal income taxes owed on such payments. In the event that
27 state or federal authorities subsequently determine that any Named Plaintiff or Settlement Class
28 Member should be classified as an employee rather than an independent contractor, each such

1 Named Plaintiff or Settlement Class Member agrees that he or she shall promptly complete and
2 submit to the IRS Form 4669.

3 39. The terms of this Agreement relating to the Fee and Expense Award and
4 Enhancement Payments were not negotiated by the Parties before full agreement was reached as
5 to all other material terms of the proposed Settlement, including, but not limited to, any terms
6 relating to the relief to the Settlement Class. Lyft agrees not to oppose a request for an
7 Enhancement Payment for Plaintiffs Cotter, Maciel, and Knudtson, as awarded by the Court, up
8 to a maximum of five thousand dollars (\$5,000), five thousand dollars (\$5,000), and two thousand
9 five hundred dollars (\$2,500), respectively. The Named Plaintiffs and Class Counsel agree not to
10 seek an Enhancement Payment in excess of the above amount. Any Enhancement Payments, as
11 awarded by the Court, shall be payable from the Settlement Fund contained in the Escrow
12 Account, as ordered, fourteen (14) days after the Effective Date.

13 40. Class Counsel agrees not to seek an award of fees and costs from the Court in
14 excess of three-million six-hundred seventy-five thousand dollars (\$3,675,000) from the
15 Settlement Fund (not including, but in addition to, costs of administration). Lyft agrees not to
16 oppose a request for attorneys' fees and costs up to three-million six-hundred seventy-five
17 thousand dollars (\$3,675,000) from the Settlement Fund. Any Fee and Expense Award, as
18 awarded by the Court, shall be payable from the Settlement Fund contained in the Escrow
19 Account, as ordered, fourteen (14) days after the Effective Date.

20 41. The non-monetary component of the Settlement from Lyft is a set of revisions to
21 Lyft's Terms of Service and modifications to the Lyft product. The mutually agreed upon
22 language that will be used to implement these changes is attached hereto as Exhibit D. The
23 following is intended as a summary only, and the text of Exhibit D controls. Lyft agrees that, in
24 accordance with Exhibit D:

25 a) On or before twenty one (21) days after the Effective Date, Lyft will
26 modify the at-will termination provision in Lyft's current Terms of Service to remove Lyft's
27 ability to deactivate a Driver's account for any reason and to replace those Terms of Service
28

1 provisions with language delineating specific actions that will constitute breach of contract by a
2 Driver and/or result in termination of the Driver's Terms of Service or agreements with Lyft.

3 b) On or before twenty one (21) days after the Effective Date, Lyft will
4 modify the arbitration provision in Lyft's current Terms of Service to state explicitly that Lyft
5 will pay for the arbitration fees and costs unique to arbitration (excluding attorney fees and costs,
6 unless the arbitrator awards such fees and costs and excluding a portion of the filing fee for any
7 arbitration initiated by a Driver) for any claims brought by Lyft against a Driver, or for claims
8 brought by a Driver against Lyft that: (i) are based on an alleged employment relationship
9 between Lyft and a Driver; (ii) arise out of, or relate to, Lyft's actual deactivation of a Driver's
10 account or a threat by Lyft to deactivate a Driver's account; (iii) arise out of, or relate to, Lyft's
11 actual termination of a Driver's agreement with Lyft under the termination provisions of Lyft's
12 Terms of Service (currently Section 16 of the Terms of Service) or a threat by Lyft to terminate a
13 Driver's agreement; or (iv) arise out of, or relate to, Fares (as defined in Lyft's Terms of Service,
14 including Lyft's commissions on Fares), tips, or average hourly guarantees owed by Lyft to
15 drivers for services, other than disputes relating to referral bonuses, other Lyft promotions, or
16 consumer-type disputes.

17 c) As soon as is practical following product review and testing, Lyft will
18 create a "favorite driver" option that results in some benefit to Drivers who Lyft passengers
19 designate as a "favorite."

20 d) As soon as is practical following product review and testing, Lyft will
21 modify its smartphone applications to provide Drivers with additional information about a
22 potential Lyft passenger prior to a Driver accepting any ride request from the passenger.

23 42. Lyft maintains the right to make further changes to its Terms of Service, including
24 the language set forth in Exhibit D, and/or the Lyft platform in the future, so long as such changes
25 do not materially and adversely undermine the non-monetary terms set forth in Paragraph 41(a)–
26 (d). In addition, Lyft maintains the right to made changes any of the non-monetary terms set
27 forth in Paragraph 41(a)–(d) if changes to those terms are warranted by a significant change in
28

1 statutory or common law that is material to the classification of independent contractors or
2 employees.

3 **V. PLAN OF ALLOCATION AND DISBURSEMENT OF SETTLEMENT**
4 **PAYMENTS**

5 43. To receive a payment from the Settlement, a Settlement Class Member or his
6 Legally Authorized Representative must timely submit a Claim Form that satisfies the
7 requirements of Paragraph 44, must not have submitted a request for exclusion, and must be
8 eligible for a payment under the Plan of Allocation in Paragraphs 46–47. Each Settlement Class
9 Member who satisfies these criteria is an Authorized Claimant.

10 44. A Claim Form is timely if it is postmarked by the Bar Date and mailed to the
11 Settlement Administrator at the address in the Notice of Settlement of Class Action, or if it is
12 submitted online by the Bar Date. The Claim Form must be signed (electronically, if submitted
13 online) under penalty of perjury.

14 45. Settlement Payments shall be calculated using a points system, in accordance with
15 the following Plan of Allocation.

16 46. Each Authorized Claimant shall be awarded:

17 a) two hundred twenty seven (227) points for each Ride given in the period
18 from May 25, 2012 through September 30, 2012;

19 b) six hundred (600) points for each sixty (60) minute period in Ride Mode
20 for the period from October 1, 2012 through the Preliminary Approval Date; and

21 c) an additional one hundred twenty (120) points for each sixty (60) minute
22 period in Ride Mode for the period from January 14, 2013 through December 23, 2013.

23 47. For each Authorized Claimant who spent 30 or more hours per week in Ride Mode
24 in 50 percent or more of the weeks in the Settlement Class Period in which he or she gave at least
25 one Ride, the points calculated according to Paragraph 46 above shall be doubled (i.e., multiplied
26 by 2).

27 48. The Settlement Administrator shall calculate the number of points to which each
28 Authorized Claimant is entitled. The determination of each Authorized Claimant's number of

1 Rides and time in Ride Mode shall be based on the relevant records that Lyft is able to identify
2 following a good-faith inquiry, and Lyft shall make a diligent effort to supply the records to the
3 Settlement Administrator in a standard electronic format such as a Comma Separated Value file.

4 49. Following the award of points to all Authorized Claimant, each Authorized
5 Claimant's points shall be divided by the sum of the points awarded to the Authorized Claimants
6 as a whole, and the resulting fraction shall be multiplied by the Net Settlement Fund. The product
7 of this calculation is the Settlement Payment that each Authorized Claimant shall receive.

8 50. The Settlement Administrator shall use reasonable efforts to disburse Settlement
9 Payments to all Authorized Claimants within ninety (90) days after the Effective Date, but in no
10 event before twenty-one (21) days after the Effective Date. Such disbursements shall be made by
11 direct payment via electronic funds transfer if possible or by check via first-class mail if
12 necessary. The Settlement Administrator shall confer with Class Counsel and with Lyft to
13 determine which, if any, Authorized Claimants are able to receive direct payment via electronic
14 funds transfer. Subject to and as limited by all applicable legal and contractual obligations, Lyft
15 shall make a diligent effort to supply the Settlement Administrator with the electronic funds
16 transfer information, if any, that the Settlement Administrator requests for Authorized Claimants.
17 For those Settlement Payments for which the Settlement Administrator attempts payment by
18 electronic funds transfer but such transfer is unsuccessful, and for those Settlement Payments for
19 which the Settlement Administrator attempts payment by check but such check is returned as
20 undeliverable, the Settlement Administrator shall make a diligent effort to obtain updated
21 electronic payment information or mailing addresses and attempt a second disbursement if the
22 Settlement Payment is likely to be greater than fifty dollars (\$50).

23 51. The Settlement Administrator shall send with each Settlement Payment
24 disbursement an explanation (in a concurrent electronic mail message for an electronic funds
25 transfer and in an enclosed letter for a check) of how the Authorized Claimant's Settlement
26 Payment was calculated and how the Authorized Claimant may challenge that calculation (as set
27 forth in Paragraph 52). At the same time, the Settlement Administrator shall send a letter, via
28 electronic mail if possible and via first-class mail if necessary, to each claimant who is not an

1 Authorized Claimant explaining that the claimant is not entitled to a payment under this
2 Settlement and that the claimant may challenge that determination (as set forth in Paragraph 52).

3 52. If an Authorized Claimant or Settlement Class Member disagrees with the
4 calculation of his or her Settlement Payment, the records used for such calculation (that is, his or
5 her number of Rides and/or time in Ride Mode), or the determination that he or she is not an
6 Authorized Claimant, he or she may challenge the calculation, records, or determination. The
7 Authorized Claimant or Settlement Class Member must send the challenge, along with any
8 supporting documentation, to the Settlement Administrator such that it is postmarked no later
9 than sixty (60) days from the date of the initial disbursement of Settlement Payments. The
10 Settlement Administrator shall resolve the challenge based on input from Class Counsel and Lyft,
11 who shall cooperate in good faith to assist the Settlement Administrator. Class Counsel and Lyft
12 acknowledge in this regard that, as provided for by Paragraph 126, they remain subject to the
13 jurisdiction of the United States District Court for the Northern District of California for all
14 purposes related to this Settlement Agreement. In the event that the Settlement Administrator
15 resolves the challenge in favor of the Authorized Claimant or Settlement Class Member, the
16 Settlement Administrator shall provide the Authorized Claimant or Settlement Class Member
17 with a disbursement from the Dispute Resolution Fund.

18 53. The Parties recognize that the Settlement Payments to be paid to Authorized
19 Claimants reflect settlement of a dispute over the Released Claims. The Parties agree that the
20 Settlement Payments are not, and are not intended to be made as a payment with respect to, a
21 penalty or a punishment of the type or kind contemplated by Internal Revenue Service Code
22 Section 162(f), except that the PAGA Payment is a civil penalty. With the exception of the
23 PAGA Payment, no governmental entity is directly or indirectly a recipient of any portion of the
24 payments made pursuant to this Settlement, and no governmental entity has any interest or
25 involvement of any type or kind in the litigation hereby settled. The payments made herein are
26 not made or received with the intention of avoiding or reducing any liability to a governmental
27 entity of any type or kind.

28

1 54. As provided in Paragraph 38, Authorized Claimants shall be solely responsible for
2 the timely payment in full of all federal, state, and municipal income taxes owed on Settlement
3 Payments, and, if necessary, the prompt completion and submission to the IRS of Form 4669.
4 Neither Party has made any representation to the other Party as to the taxability or tax
5 implications of any Settlement Payments or other payments pursuant to this Agreement.

6 **VI. NOTICE AND ADMINISTRATION FUND AND MAILING OF CLASS NOTICE**

7 55. The Notice and Administration Fund shall be used by the Settlement Administrator
8 to pay the costs of identifying and notifying Settlement Class Members, and, as allowed by the
9 Court, soliciting the filing of Claims, facilitating the claims process, and otherwise administering
10 the Settlement on behalf of the Settlement Class Members. Any notice and administration costs,
11 as well as all applicable Taxes and escrow fees, shall be paid out of the Notice and
12 Administration Fund and, if the Notice and Administration Fund is exhausted, out of the
13 Settlement Fund. Notice and administration costs shall include, among other things, identifying
14 the last-known electronic and/or postal mailing addresses for Settlement Class Members, mailing,
15 printing (if necessary), and publishing notice, as directed by the Court, and the cost of processing
16 Claims and distributing the Net Settlement Fund to Settlement Class Members.

17 56. Lyft will provide the Settlement Administrator the names and last-known
18 electronic and postal mail addresses of potential Settlement Class Members that it is able to
19 identify following a good-faith inquiry.

20 57. To the extent that sending the Notice of Settlement of Class Action via postal mail
21 is necessary under the terms of Paragraph 59, before any mailing, the Settlement Administrator
22 shall make a good-faith attempt to obtain the most-current names and postal mail addresses for all
23 potential Settlement Class Members to receive such postal mail, including cross-checking the
24 names and/or postal mail addresses it received from Lyft, as well as any other sources, with
25 appropriate databases (e.g., the National Change of Address Database) and performing further
26 reasonable searches (e.g., through Lexis/Nexis) for more-current names and/or postal mail
27 addresses for potential Settlement Class Members. All potential Settlement Class Members'
28

1 names and postal mail addresses obtained through these sources shall be protected as confidential
2 and not used for purposes other than the notice and administration of this Settlement.

3 58. The Settlement Administrator shall send a copy of the Notice of Settlement of
4 Class Action by electronic mail to each potential Settlement Class Member, as well as to Class
5 Counsel and to counsel for Lyft.

6 59. If any Notice of Settlement of Class Action sent via electronic mail to any
7 potential Settlement Class Member in accordance with Paragraph 58 is undeliverable, the
8 Settlement Administrator will promptly log each such Notice of Settlement of Class Action and
9 provide copies of the log to Class Counsel and counsel for Lyft, as requested. The Settlement
10 Administrator shall then send the Notice of Settlement of Class Action to the potential Settlement
11 Class Member's postal mailing address on file via first-class mail. If any Notice of Settlement of
12 Class Action sent to any potential Settlement Class Member via first-class mail is returned to the
13 Settlement Administrator as undeliverable, the Settlement Administrator will promptly log each
14 such Notice of Settlement of Class Action and provide copies of the log to Class Counsel and
15 counsel for Lyft, as requested. If the postal mailing is returned with a forwarding address, the
16 Settlement Administrator shall forward the postal mailing to that address. For any remaining
17 returned postal mailings, the Settlement Administrator shall made a good-faith search of an
18 appropriate database, and postal mailings shall be forwarded to any new postal mail address
19 obtained through such a search. In the event that any Notice of Settlement of Class Action is
20 returned as undeliverable a second time, no further postal mailing shall be required.

21 60. The Parties agree that the procedures set forth in this Section constitute reasonable
22 and the best practicable notice under the circumstances and an appropriate and sufficient effort to
23 locate current addresses for Settlement Class Members such that no additional efforts to do so
24 shall be required.

25 61. The Settlement Administrator will provide Class Notice by, at a minimum,
26 (i) electronic mail notice without material variation from the form attached as Exhibit B; (ii) if
27 necessary in accordance with Paragraph 59, first-class mail (where available) notice without
28 material variation from the form attached as Exhibit B; and (iii) a content-neutral settlement

1 website managed by the Settlement Administrator, and approved by counsel for the Parties, which
2 will contain further information about the Settlement and Claims process, including relevant
3 pleadings. The Class Notice shall comply with Federal Rule of Civil Procedure 23 and due
4 process.

5 62. The Class Notice shall inform potential Settlement Class Members that Settlement
6 Payments will be made by direct payment via electronic funds transfer if possible or by check via
7 first-class mail if necessary. If the Settlement Administrator, in consultation with Lyft,
8 determines that it is feasible to receive updated electronic funds transfer from potential Settlement
9 Class Members who do not have current electronic funds transfer information on file with Lyft,
10 the Settlement Administrator shall provide an opportunity for potential Settlement Class Members
11 to submit such updated information. The Settlement Administrator shall provide an opportunity
12 for potential Settlement Class Members to submit updated postal mailing addresses.

13 63. Thirty (30) days before the Bar Date or at such other time or times as the
14 Settlement Administrator deems appropriate, the Settlement Administrator shall distribute by
15 electronic mail a neutral notice reminding Settlement Class Members who have not submitted a
16 Claim Form of the need to do so in order to receive a Settlement Payment. The Settlement
17 Administrator shall make additional reasonable efforts to locate and remind Settlement Class
18 Members who have not submitted a Claim Form and whose Settlement Payment would likely be
19 at least two hundred dollars (\$200) of the need to submit a Claim Form in order to receive a
20 Settlement Payment. Such reasonable efforts may include, but are not limited to, attempting to
21 contact such Settlement Class Members by postal mail in addition to electronic mail.

22 64. The Parties agree to notify each other and the Settlement Administrator of the
23 receipt of any request for exclusion or objection to this Settlement within one (1) business day of
24 receipt.

25 65. As of the Effective Date, any balance, including interest if any, remaining in the
26 Notice and Administration Fund, less expenses incurred but not yet paid, shall be deposited into
27 the Settlement Fund.
28

66. If the Settlement is not approved, is overturned, or is modified on appeal or as a result of further proceedings on remand of any appeal with respect to the Settlement, or if the Effective Date otherwise does not occur, the balance of the Notice and Administration Fund which has not been expended pursuant to this Agreement, and the balance of the Settlement Fund, including all earned or accrued interest, shall be returned to Lyft within five (5) days, or as soon as practicable, as set forth in this Agreement and in accordance with the Escrow Agreement.

67. If any individual whose name does not appear on the list of potential Settlement Class Members that Lyft provides the Settlement Administrator pursuant to Paragraph 56 (and who has not previously opted out of the Settlement Class), believes that he or she is a Settlement Class Member, he or she shall have the opportunity to dispute his or her exclusion from the Settlement Class. If an individual believes he or she is a Settlement Class Member, he or she must notify the Settlement Administrator within a reasonable amount of time after the first mailing of the Notice of Settlement of Class Action. The Parties will meet and confer regarding any such individuals in an attempt to reach an agreement as to whether any such individual should be regarded as a Settlement Class Member. If the Parties so agree, the Settlement Administrator will mail a Notice of Settlement of Class Action and Claim Form to the individual, and treat the individual as a Settlement Class Member for all other purposes. Such an individual will have all of the same rights as any other Settlement Class Member under this Agreement. In the event that the initial disbursement of Settlement Payments has begun (in accordance with this Settlement Agreement) at the time that the Parties agree that such individual should be regarded as a Settlement Class Member and that such individual submits a valid Claim Form, the Settlement Payment to such individual shall be disbursed from the Dispute Resolution Fund.

VII. RELEASES

68. The Released Claims against each and all of the Released Parties shall be released and dismissed with prejudice and on the merits (without an award of costs to any party other than as provided in this Agreement) upon entry of District Court Final Approval Order and Judgment.

69. As of the Effective Date, the Named Plaintiffs, and all Settlement Class Members who have not been excluded from the Settlement Class as provided in the Opt-Out List,

1 individually and on behalf of their heirs, estates, trustees, executors, administrators,
 2 representatives, agents, successors, and assigns, and anyone claiming through them or acting or
 3 purporting to act on their behalf, agree to forever release, discharge, hold harmless, and covenant
 4 not to sue each and all of the Released Parties from each and all of the Named Plaintiffs' General
 5 Released Claims (in the case of the Named Plaintiffs) and the Class Members' Released Claims
 6 (in the case of the Settlement Class Members), and by operation of the Judgment shall have fully
 7 and finally released, relinquished, and discharged all such claims against each and all of the
 8 Released Parties; and they further agree that they shall not now or hereafter initiate, maintain, or
 9 assert any Named Plaintiffs' General Released Claims (in the case of the Named Plaintiffs) and
 10 any Class Members' Released Claims (in the case of the Settlement Class Members) against the
 11 Released Parties in any other court action or before any administrative body, tribunal, arbitration
 12 panel, or other adjudicating body. Without in any way limiting the scope of the release described
 13 in Paragraphs 24(h) and 24(y) or in the remainder of this Section, this release covers, without
 14 limitation, any and all claims for attorneys' fees, costs, or disbursements incurred by Class
 15 Counsel or any other counsel representing the Named Plaintiffs or Settlement Class Members, or
 16 by the Named Plaintiffs or Settlement Class Members, or any of them, in connection with or
 17 related in any manner to the Action, the Settlement of the Action, the administration of such
 18 Settlement, and/or the Released Claims, except to the extent otherwise specified in the
 19 Agreement.

20 70. As of the Effective Date, the Named Plaintiffs, and all Settlement Class Members
 21 who have not been excluded from the Settlement Class as provided in the Opt-Out List, shall be
 22 permanently barred and enjoined from initiating, asserting, or prosecuting against the Released
 23 Parties in any federal or state court or tribunal any and all Named Plaintiffs' General Released
 24 Claims (in the case of the Named Plaintiffs) and any Class Members' Released Claims (in the
 25 case of the Settlement Class Members), as further provided in Paragraph 30(l).

26 71. The Named Plaintiffs and the Settlement Class Members expressly acknowledge
 27 that they are familiar with principles of law such as Section 1542 of the California Civil Code,
 28 which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

72. With respect to the Class Members' Released Claims, as described in Paragraph 24(h), each Settlement Class Member shall be deemed to have expressly, knowingly, and voluntarily waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he or she may otherwise have had pursuant to Section 1542 of the California Civil Code and all similar federal or state laws, rights, rules, or legal principles of any other jurisdiction that may be applicable herein. In connection with the release, the Settlement Class Members acknowledge that they are aware that they may hereafter discover claims presently unknown and unsuspected or facts in addition to or different from those which they now know or believe to be true with respect to matters released herein. Nevertheless, the Settlement Class Members acknowledge that a portion of the consideration received herein is for a release with respect to unknown damages and complaints, whether resulting from known injuries and consequences or from unknown injuries or unknown consequences of known or unknown injuries, and state that it is the intention of the Settlement Class Members in agreeing to this release fully, finally, and forever to settle and release all matters and all claims that exist, hereafter may exist, or might have existed (whether or not previously or currently asserted in any action), constituting Class Members' Released Claims.

73. With respect to the Named Plaintiffs' General Released Claims, as described in Paragraph 24(y), each Named Plaintiff shall be deemed to have expressly, knowingly, and voluntarily waived and relinquished, to the fullest extent permitted by law, the provisions, rights, and benefits he or she may otherwise have had pursuant to Section 1542 of the California Civil Code and all similar federal or state laws, rights, rules, or legal principles of any other jurisdiction that may be applicable herein. In connection with the release, the Named Plaintiffs acknowledge that they are aware that they may hereafter discover claims presently unknown and unsuspected or facts in addition to or different from those which they now know or believe to be true with respect to matters released herein. Nevertheless, the Named Plaintiffs acknowledge that a portion

1 of the consideration received herein is for a release with respect to unknown damages and
2 complaints, whether resulting from known injuries and consequences or from unknown injuries
3 or unknown consequences of known or unknown injuries, and state that it is the intention of the
4 Named Plaintiffs in agreeing to this release fully, finally, and forever to settle and release all
5 matters and all claims that exist, hereafter may exist, or might have existed (whether or not
6 previously or currently asserted in any action), constituting Named Plaintiffs' General Released
7 Claims.

8 74. Each Named Plaintiff further acknowledges, agrees, and understands that: (i) he or
9 she has read and understands the terms of this Agreement; (ii) he or she has been advised in
10 writing to consult with an attorney before executing this Agreement; (iii) he or she has obtained
11 and considered such legal counsel as he deems necessary; (iv) he or she has been given twenty-
12 one (21) days to consider whether or not to enter into this Agreement (although he or she may
13 elect not to use the full 21 day period at his option);

14 75. Each Named Plaintiff further acknowledges, agrees, and understands that he or she
15 is expressly, knowingly, and voluntarily waiving and relinquishing, to the fullest extent permitted
16 by law, all rights or claims arising under the Age Discrimination in Employment Act of 1967.
17 Each Named Plaintiff may revoke his or her acceptance of the Enhancement Payment in
18 consideration for the Named Plaintiffs' General Released Claims within seven (7) days after the
19 date he or she signs it. Any revocation must be in writing and received by counsel for
20 Defendants.

21 76. Subject to Court approval, the Named Plaintiffs, and all Settlement Class Members
22 who have not been excluded from the Settlement Class as provided in the Opt-Out List, shall be
23 bound by this Settlement Agreement, and all of their claims shall be dismissed with prejudice and
24 released, even if they never received actual notice of the Action or this Settlement.

25 **VIII. ADMINISTRATION OF THE SETTLEMENT FUND**

26 77. The Settlement Administrator or its authorized agents in consultation with the
27 Parties and subject to the supervision, direction, and approval of the Court, shall administer and
28

1 identify Claims submitted by Settlement Class Members, and shall calculate the allocation of and
2 oversee the distribution of the Settlement Fund to Settlement Class Members.

3 78. The Notice and Administration Fund and the Settlement Fund shall be applied as
4 follows:

5 a) to pay all costs and expenses incurred in connection with providing Class
6 Notice to Settlement Class Members and, as allowed by the Court, locating Settlement Class
7 Members' last-known postal mail addresses, soliciting Claims, assisting with the filing of Claims,
8 processing Claim Forms and any objections, challenges, and requests for exclusion, administering
9 and distributing the Settlement Fund to the Settlement Class, and escrow fees and costs, in
10 accordance with the terms provided for the Notice and Administration Fund in Section VI;

11 b) subject to the approval and further order(s) of the Court, and according to
12 the terms provided in Paragraph 39, to pay to Plaintiffs Cotter, Maciel, and Knudtson
13 Enhancement Payments based on contributions and time expended assisting in the litigation, up to
14 a maximum of five thousand dollars (\$5,000), five thousand dollars (\$5,000), and two thousand
15 five hundred dollars (\$2,500), respectively;

16 c) subject to the approval and further order(s) of the Court, and according to
17 the terms of Paragraph 40, to pay the Fee and Expense Award as ordered by the Court;

18 d) to pay Taxes and Tax Expenses owed by the Settlement Fund, according to
19 the terms in Paragraphs 36–37;

20 e) to pay any costs and expenses incurred in connection with the services
21 provided by the Escrow Agent;

22 f) to fund the Dispute Resolution Fund;

23 g) after the Effective Date and subject to the approval and further order(s) of
24 the Court, to distribute the balance of the Net Settlement Fund for the benefit of the Settlement
25 Class pursuant to the Plan of Allocation, or as otherwise ordered by the Court, provided that no
26 funds from the Net Settlement Fund shall be disbursed until after the Effective Date; and

27 h) if necessary, to make further distributions according to the terms of
28 Paragraph 79.

1 79. One hundred eighty (180) days after the distribution of the balance of the Net
2 Settlement Fund for the benefit of the Settlement Class, should any amount remain in the Net
3 Settlement Fund or the Notice and Administration Fund, but not the Dispute Resolution Fund, the
4 Settlement Administrator shall disburse from such amounts Settlement Payments to those
5 Authorized Claimants who did not receive a full Settlement Payment due to the exhaustion of the
6 Dispute Resolution Fund. Next, should any amount remain in the Net Settlement Fund, the
7 Dispute Resolution Fund, or the Notice and Administration Fund, the Settlement Administrator
8 shall make a further distribution of such amounts pursuant to the Plan of Allocation to those
9 Settlement Class Members who received an initial Settlement Payment and whose residual share
10 would likely be at least fifty dollars (\$50). If any funds are not successfully disbursed through
11 this further distribution (for example, if checks are not cashed or returned as undeliverable), the
12 Settlement Administrator shall direct such unclaimed funds to the Legal Aid Society—
13 Employment Law Center, which the parties agree has a direct and substantial nexus to the
14 interests of the Settlement Class, and thus provides for a “next best distribution” to the Settlement
15 Class.

16 80. Settlement Class Members who are not on the Opt-Out List approved by the Court
17 shall be subject to and bound by the provisions of the Settlement Agreement, the releases
18 contained herein, and the Judgment with respect to all Class Members’ Released Claims,
19 regardless of whether they seek or obtain any distribution from the Settlement Fund.

20 81. Lyft shall bear no responsibility for the costs, fees, or expenses related to the
21 administration and distribution of the Settlement Fund. Neither Lyft nor its counsel shall have
22 any responsibility for, interest in, or liability whatsoever with respect to any solicitation, receipt,
23 or processing of Claims, the Settlement Fund, any Plan of Allocation, the calculations or
24 disbursement of Settlement Payments, the payment or withholding of Taxes, the distribution of
25 the Net Settlement Fund, or any losses incurred in connection with any such matters.

26 82. The Settlement Administrator shall be responsible for issuing copies of IRS Form
27 1099 for the Named Plaintiffs and for all Settlement Class Members who receive a payment of
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1 any kind from the Settlement Fund (including, in the case of the Named Plaintiffs, Enhancement
2 Payments) and for whom such form is required.

3 83. Neither Lyft nor Plaintiffs nor their counsel shall have any liability concerning the
4 appointment of the Settlement Administrator and any actions taken by it.

5 84. Payment from the Settlement Fund and Net Settlement Fund made pursuant to and
6 in the manner set forth herein shall be deemed conclusive of compliance with this Settlement
7 Agreement as to all Settlement Class Members.

8 85. No Settlement Class Member shall have any claim against the Named Plaintiffs,
9 Class Counsel, or the Settlement Administrator based on distributions made substantially in
10 accordance with this Settlement Agreement and/or orders of the Court. No Settlement Class
11 Member shall have any claim against Lyft or its counsel relating to distributions made under this
12 Settlement.

13 **IX. EFFECT OF DISAPPROVAL, CANCELLATION, OR TERMINATION OF**
14 **SETTLEMENT AGREEMENT**

15 86. If the Court does not approve the Settlement as set forth in this Settlement
16 Agreement, or does not enter the District Court Final Approval Order and Judgment that will be
17 agreed upon by the Parties, or if the Court enters the Judgment and appellate review is sought,
18 and on such review, the entry of Judgment is vacated, modified in any way, or reversed, or if the
19 District Court Final Approval Order does not otherwise become Final, then this Settlement
20 Agreement shall be cancelled and terminated, unless all Parties, in their sole discretion within
21 thirty (30) days from the date of such ruling, provide written notice to all other Parties hereto of
22 their intent to proceed with the Settlement under the terms of the Judgment as it may be modified
23 by the Court or any appellate court.

24 87. Lyft shall have the right to withdraw from the Settlement if leave to file the
25 Amended Complaint for Settlement is not granted on the Preliminary Approval Date or if the
26 Amended Complaint for Settlement does not become the operative complaint in the Action
27 promptly thereafter. If Lyft chooses, pursuant to its sole and absolute discretion, to exercise this
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1 right, it must do so within thirty (30) days of the Preliminary Approval Date, by providing written
2 notice to Class Counsel.

3 88. Lyft shall have the right to withdraw from the Settlement if the number of
4 Settlement Class Members who attempt to exclude themselves from the Settlement Class equals
5 or exceeds [REDACTED] potential Settlement Class Members. If Lyft chooses, pursuant to
6 its sole and absolute discretion, to exercise this right, it must do so within ten (10) days of receipt
7 of the Settlement Administrator's opt-out list as provided in Paragraph 100, by providing written
8 notice to Class Counsel.

9 89. In the event that (i) the Settlement is not approved, is overturned, or is materially
10 modified by the Court or on appeal, (ii) the Judgment does not become Final, or (iii) this
11 Settlement Agreement is terminated, cancelled, or fails to become effective for any reason, then
12 within five (5) business days after written notice is sent by Class Counsel or counsel for
13 Defendant to all Parties hereto, the Notice and Administration Fund, less any funds paid or
14 expenses incurred but not yet paid, the Settlement Fund, and any other cash deposited by Lyft
15 into the Escrow Account pursuant to this Agreement shall be refunded to Lyft, including interest
16 earned or accrued.

17 90. In the event that: (i) the Settlement is not approved, is overturned, or is materially
18 modified by the Court or on appeal, (ii) the Judgment does not become Final, or (iii) this
19 Settlement Agreement is terminated, cancelled, or fails to become effective for any reason, then:
20 (a) the Settlement shall be without force and effect upon the rights of the Parties hereto, and none
21 of its terms shall be effective or enforceable, with the exception of this Paragraph, which shall
22 remain effective and enforceable; (b) the Parties shall be deemed to have reverted nunc pro tunc
23 to their respective status as of November 19, 2015, including with respect to any Court-imposed
24 deadlines; (c) Lyft shall be refunded the amounts paid pursuant to this Agreement but not yet
25 spent or disbursed; (d) all Orders entered in connection with the Settlement, including the
26 certification of the Settlement Class and the approval for filing of the Amended Complaint for
27 Settlement, shall be vacated without prejudice to any Party's position on the issue of class
28 certification, the issue of amending the complaint, or any other issue, in this Action or any other

1 action, and the Parties shall be restored to their litigation positions existing on the date of
 2 execution of this Agreement; and (e) the Parties shall proceed in all respects as if the Settlement
 3 Agreement and related documentation and orders had not been executed, and without prejudice in
 4 any way from the negotiation or fact of the Settlement or the terms of the Settlement Agreement.
 5 The Settlement Agreement, the Settlement, all documents, orders, and other evidence relating to
 6 the Settlement, the fact of their existence, any of their terms, any press release or other statement
 7 or report by the Parties or by others concerning the Settlement Agreement, the Settlement, their
 8 existence, or their terms, any negotiations, proceedings, acts performed, or documents executed
 9 pursuant to or in furtherance of the Settlement Agreement or the Settlement shall not be offered,
 10 received, or construed as evidence of a presumption, concession, or an admission of liability, of
 11 the certifiability of a litigation class, or of any misrepresentation or omission in any statement or
 12 written document approved or made, or otherwise used by any Person for any purpose
 13 whatsoever, in any trial of this Action or any other action or proceedings.

14 91. Lyft does not agree or consent to certification of the Settlement Class for any
 15 purpose other than to effectuate the Settlement of the Action. If this Settlement Agreement is
 16 terminated pursuant to its terms, or the Effective Date for any reason does not occur, all Orders
 17 certifying the Settlement Class for purposes of effecting this Settlement Agreement, and all
 18 preliminary and/or final findings regarding the Settlement Class certification order, shall be
 19 automatically vacated upon notice to the Court, the Action shall proceed as though the Settlement
 20 Class had never been certified pursuant to this Settlement Agreement and such findings had never
 21 been made, and the Action shall revert nunc pro tunc to the procedural status quo as of the date
 22 and time immediately before the execution of the Settlement Agreement, in accordance with this
 23 Settlement Agreement.

24 **X. PROCEDURES FOR REQUESTS FOR EXCLUSION**

25 92. Settlement Class Members (with the exception of the Named Plaintiffs) may opt-
 26 out of the Settlement. Those who wish to exclude themselves (or “opt out”) from the Settlement
 27 Class must submit timely, written requests for exclusion. To be effective, such a request must
 28 include the Settlement Class Member’s name, address, and telephone number; a clear and

1 unequivocal statement that the Settlement Class Member wishes to be excluded from the
2 Settlement Class and that the Settlement Class Member understands that he or she is still bound
3 by the release of the PAGA Claims upon Final Approval of the Settlement and Final Judgment;
4 and the signature of the Settlement Class Member or the Legally Authorized Representative of
5 the Settlement Class Member. The request must be mailed to the Settlement Administrator at the
6 address provided in the Notice of Settlement of Class Action and must be postmarked no later
7 than the Exclusion/Objection Deadline. The date of the postmark shall be the exclusive means
8 used to determine whether a request for exclusion has been timely submitted. Requests for
9 exclusion must be exercised individually by the Settlement Class Member, not as or on behalf of
10 a group, class, or subclass, except that such individual exclusion requests may be submitted by a
11 Settlement Class Member's Legally Authorized Representative.

12 93. The Settlement Administrator shall promptly log each request for exclusion that it
13 receives and provide copies of the log and all such requests for exclusion to Class Counsel and
14 counsel for Lyft, as requested.

15 94. The Settlement Administrator shall prepare a list of all Persons who timely and
16 properly requested exclusion from the Settlement Class and shall, before the Fairness Hearing,
17 submit an affidavit to the Court attesting to the accuracy of the list.

18 95. All Settlement Class Members who are not included in the Opt-Out List approved
19 by the Court shall be bound by this Agreement, and all their claims shall be dismissed with
20 prejudice and released as provided for herein, even if they never received actual notice of the
21 Action or this proposed Settlement.

22 96. The Settlement Administrator, in its sole discretion, shall determine whether a
23 request for exclusion was timely submitted. The Settlement Administrator's decision shall be
24 final, binding, and nonappealable.

25 97. The Named Plaintiffs agree not to request exclusion from the Settlement Class.

26 98. Settlement Class Members may object to or opt out of the Settlement, but may not
27 do both. Any Settlement Class Member who submits a timely request for exclusion may not file
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1 an objection to the Settlement, submit a Claim, or receive a Settlement Payment, and shall be
2 deemed to have waived any rights or benefits under the Settlement Agreement.

3 99. Notwithstanding the submission of a timely request for exclusion, Class Members
4 will still be bound by the settlement and release of the PAGA Claims or remedies under the Final
5 Judgment pursuant to *Arias v. Superior Court*, 46 Cal. 4th 969 (2009). Requests for exclusion do
6 not apply to the PAGA Claims.

7 100. No later than ten (10) business days after the Exclusion/Objection Deadline, the
8 Settlement Administrator shall provide to Class Counsel and counsel for Lyft a complete opt-out
9 list together with copies of the opt-out requests. Notwithstanding any other provision of this
10 Settlement Agreement, if more than [REDACTED] Settlement Class Members opt out of the
11 Settlement, Lyft at its sole and exclusive option may elect to rescind and revoke the entire
12 Settlement Agreement, thereby rendering the Settlement null and void in its entirety, by sending
13 written notice that it revokes the Settlement pursuant to this Paragraph to Class Counsel within
14 ten (10) business days following receipt of the Settlement Administrator's opt-out list.

15 **XI. PROCEDURES FOR OBJECTIONS**

16 101. Any Settlement Class Member that wishes to object to the fairness,
17 reasonableness, or adequacy of this Agreement or the proposed Settlement must provide to the
18 Settlement Administrator (who shall forward it to Class Counsel and Counsel for Lyft), and file
19 with the Court, a timely statement of the objection, as set forth below.

20 102. To be timely, the objection must be postmarked and mailed to the Settlement
21 Administrator, and filed with the Court, no later than the Exclusion/Objection Deadline. The date
22 of the postmark on the return-mailing envelope shall be the exclusive means used to determine
23 whether objection has been timely submitted.

24 103. The objection must contain at least the following: (i) the objector's full name,
25 address, telephone, and signature; (ii) a clear reference to the Action; (iii) a statement of the
26 specific legal and factual basis for each objection argument; and (iv) a statement whether the
27 objecting person or entity intends to appear at the Fairness Hearing, either in person or through
28 counsel and, if through counsel, a statement identifying that counsel by name, bar number,

1 address, and telephone number. All objections shall be signed by the objecting Settlement Class
2 Member (or his Legally Authorized Representative), even if the Settlement Class Member is
3 represented by counsel.

4 104. Any Settlement Class Member (and/or his attorney), or any attorney working for a
5 governmental entity, who wishes to appear in the Action to object to the settlement or who is
6 representing or assisting a Settlement Class Member in connection with any objection to the
7 settlement (including, but not limited to, by drafting or preparing papers for an objection on
8 behalf of a Settlement Class Member) must provide to the Settlement Administrator (who shall
9 forward it to Class Counsel and counsel for Lyft) and file with the Clerk of the Court a notice of
10 appearance no later than the Exclusion/Objection Deadline.

11 105. The right to object to the proposed settlement must be exercised individually by a
12 Settlement Class Member or his attorney, and not as a member of a group, class, or subclass,
13 except that such individual objections may be submitted by a Settlement Class Member's Legally
14 Authorized Representative.

15 106. Any Settlement Class Member who does not file a timely notice of intent to object
16 in accordance with this Section shall waive the right to object or to be heard at the Fairness
17 Hearing and shall be forever barred from making any objection to the proposed Settlement, the
18 Plan of Allocation, the Fee and Expense Award, and the Enhancement Payments. Settlement
19 Class Members who object to the proposed Settlement shall remain Settlement Class Members,
20 and shall be deemed to have voluntarily waived their right to pursue an independent remedy
21 against Lyft and the Released Parties. To the extent any Settlement Class Member objects to the
22 proposed Settlement, and such objection is overruled in whole or in part, such Settlement Class
23 Member will be forever bound by the District Court Final Approval Order and Judgment.

24 107. In the event that any Person objects to or opposes this proposed Settlement, or
25 attempts to intervene in or otherwise enter the Action, the Parties agree to use their best efforts to
26 cooperate in the defense of the Settlement. Notwithstanding the foregoing, it shall be Class
27 Counsel's sole responsibility to respond to any objections made with respect to any application
28 for the Fee and Expense and Enhancement Payments.

XII. ADDITIONAL PROVISIONS

108. All of the Exhibits to this Agreement are an integral part of the Settlement and are incorporated by reference as though fully set forth herein.

109. The Named Plaintiffs and Class Counsel acknowledge that an adequate factual record has been established that supports the Settlement and, apart from the limited discovery described in the next sentence, hereby waive any right to conduct further discovery to assess or confirm the Settlement. Notwithstanding the prior sentence, the Parties agree to reasonably cooperate with respect to limited confirmatory discovery to be agreed upon related to the last-known addresses of Settlement Class Members.

110. Unless otherwise noted, all references to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

111. This Agreement supersedes all prior negotiations and agreements and may be amended or modified only by a written instrument signed by counsel for all Parties or the Parties’ successors-in-interest.

112. The Parties reserve the right, subject to the Court’s approval, to make any reasonable extensions of time that might be necessary to carry out any of the provisions of this Agreement. Such extensions must be in writing to be enforceable.

113. The Settlement Agreement, the Settlement, the fact of the Settlement’s existence, any of terms of the Settlement Agreement, any press release or other statement or report by the Parties or by others concerning the Settlement Agreement or the Settlement, and/or any negotiations, proceedings, acts performed, or documents executed pursuant to or in furtherance of the Settlement Agreement or the Settlement: (i) may not be deemed to be, may not be used as, and do not constitute an admission or evidence of the validity of any Released Claims or of any wrongdoing or liability of Lyft; and (ii) may not be deemed to be, may not be used as, and do not constitute an admission or evidence of any fault, wrongdoing, or omission by Lyft in any trial, civil, criminal, or administrative proceeding of the Action or any other action or proceedings in any court, administrative agency, or other tribunal.

1 114. The Released Parties shall have the right to file the Settlement Agreement, the
2 District Court Final Approval Order and Judgment, and any other documents or evidence relating
3 to the Settlement in any action that may be brought against them in order to support a defense or
4 counterclaim based on principles of res judicata, collateral estoppel, release, good-faith
5 settlement, judgment bar, reduction, or any other theory of claim preclusion or issue preclusion or
6 similar defense or counterclaim.

7 115. The Parties to the Settlement Agreement agree that the Settlement Amount and the
8 other terms of the Settlement were negotiated at arm's length and in good faith by the Parties,
9 resulted from numerous arm's-length mediation sessions presided over by the Hon. Magistrate
10 Judge Donna M. Ryu, and reflect a settlement that was reached voluntarily based upon adequate
11 information and sufficient discovery and after consultation with experienced legal counsel.

12 116. The Named Plaintiffs and Class Counsel have concluded that the Settlement set
13 forth herein constitutes a fair, reasonable, and adequate resolution of the claims that the Named
14 Plaintiffs asserted against Lyft, including the claims on behalf of the Settlement Class, and that it
15 promotes the best interests of the Settlement Class.

16 117. To the extent permitted by law, all agreements made and orders entered during the
17 course of the Action relating to the confidentiality of information shall survive this Settlement
18 Agreement.

19 118. The Parties agree that the Plaintiffs and Class Counsel are not required to return
20 any documents produced by Lyft until the final resolution of the Action. Within sixty (60) days
21 following the Effective Date, Class Counsel shall return to Lyft all documents produced in the
22 Action, or confirm in writing that all such documents have been destroyed, in a manner consistent
23 with the terms of any applicable Protective Order in the Action, and to the extent practicable.

24 119. The waiver by one Party of any breach of this Settlement Agreement by any other
25 Party shall not be deemed a waiver of any other prior or subsequent breach of this Settlement
26 Agreement.

27 120. This Settlement Agreement, including its Exhibits, constitutes the entire agreement
28 among the Parties, and no representations, warranties, or inducements have been made to any

1 Party concerning this Settlement Agreement or its Exhibits, other than the representations,
2 warranties, and covenants contained and memorialized in this Settlement Agreement and its
3 Exhibits.

4 121. This Settlement Agreement may be executed in one or more counterparts. All
5 executed counterparts and each of them shall be deemed to be one and the same instrument
6 provided that counsel for the Parties to this Settlement Agreement shall exchange among
7 themselves original signed counterparts.

8 122. The Parties hereto and their respective counsel agree that they will use their best
9 efforts to obtain all necessary approvals of the Court required by this Settlement Agreement.

10 123. This Settlement Agreement shall be binding upon and shall inure to the benefit of
11 the successors and assigns of the Parties hereto, including any and all Released Parties and any
12 corporation, partnership, or other entity into or with which any Party hereto may merge,
13 consolidate, or reorganize.

14 124. This Settlement Agreement shall not be construed more strictly against one Party
15 than another merely because of the fact that it may have been prepared by counsel for one of the
16 Parties, it being recognized that because of the arm's-length negotiations resulting in the
17 Settlement Agreement, all Parties hereto have contributed substantially and materially to the
18 preparation of the Settlement Agreement.

19 125. Except where this Settlement Agreement itself provides otherwise, all terms,
20 conditions, and Exhibits are material and necessary to this Settlement Agreement and have been
21 relied upon by the Parties in entering into this Settlement Agreement.

22 126. This Settlement Agreement shall be governed by federal law. To the extent that
23 federal law does not apply, this Settlement Agreement shall be governed by and construed in
24 accordance with the laws of the State of California, without regard to choice of law principles.
25 Any action based on this Settlement Agreement, or to enforce any of its terms, shall be venued in
26 the United States District Court for the Northern District of California, which shall retain
27 jurisdiction over all such disputes. All Parties to this Settlement Agreement shall be subject to the
28 jurisdiction of the United States District Court for the Northern District of California for all

1 purposes related to this Settlement Agreement. This Paragraph relates solely to the law governing
2 this Settlement Agreement and any action based thereon, and nothing in this Paragraph shall be
3 construed as an admission or finding that California law applies to the Released Claims of any
4 Named Plaintiffs or Settlement Class Members who reside outside of the state.

5 127. The Court shall retain continuing and exclusive jurisdiction over the Parties to this
6 Settlement Agreement for the purpose of the administration and enforcement of this Settlement
7 Agreement.

8 128. The headings used in this Settlement Agreement are for the convenience of the
9 reader only, and shall not affect the meaning or interpretation of this Settlement Agreement.

10 129. In construing this Settlement Agreement, the use of the singular includes the plural
11 (and vice-versa) and the use of the masculine includes the feminine (and vice-versa).

12 130. Each Party to this Settlement Agreement warrants that he, she, or it is acting upon
13 his or its independent judgment and upon the advice of his or its counsel, and not in reliance upon
14 any warranty or representation, express or implied, of any nature of any kind by any other Party,
15 other than the warranties and representations expressly made in this Settlement Agreement.

16 131. Signatory counsel warrant that they are fully authorized to execute this Agreement
17 on behalf of their respective co-counsel listed below. Each counsel signing this Settlement
18 Agreement on behalf of his/her clients who are unable to sign the Agreement on the date that it is
19 executed by other Parties represents that such counsel is fully authorized to sign this Settlement
20 Agreement on behalf of his/her clients; provided, however, that all Parties who have not executed
21 this Agreement on the date that it is executed by the other Parties shall promptly thereafter
22 execute this Agreement, and in any event no later than one (1) week after the Agreement has been
23 executed by counsel.

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3 Dated: May 11, 2016
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SIGNED AND AGREED,
KEKER & VAN NEST LLP

5 By: 

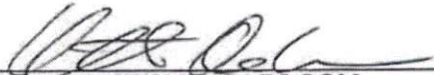
RACHAEL E. MENY
R. JAMES SLAUGHTER
SIMONA A. AGNOLUCCI
ALEXANDER DRYER

7 THOMAS M. MCINERNEY
8 OGLETREE, DEAKINS, NASH, SMOAK
& STEWART, P.C.

9 Attorneys for Defendant LYFT, INC.

10
11 Dated: May 11, 2016
12

LICHTEN & LISS-RIORDAN, P.C.

13 By: 

MATTHEW D. CARLSON
SHANNON LISS-RIORDAN

15 Attorneys for Plaintiffs COTTER,
16 MACIEL, and KNUDTSON
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