The Office of the Attorney General of the State of New York ("OAG") has investigated Uber Technologies, Inc. ("Uber") pursuant to New York Executive Law § 63(12).

The investigation examined Uber’s practice of classifying drivers providing trips to passengers ("Riders") in the State of New York using the Uber Driver App ("Drivers") as independent contractors not subject to Article 6 of the New York Labor Law (the "NYLL"), NYLL § 190 et seq.; Uber’s deduction of sales tax and Black Car Fund ("BCF") fees from Drivers’ earnings during the period of November 10, 2014 through May 22, 2017 ("the Relevant Period"); and Uber’s representations about the deduction of sales tax and BCF fees from Drivers’ earnings during the Relevant Period. The investigation evaluated whether Uber’s practices may have violated Executive Law § 63(12) and Article 6 of the NYLL, including NYLL § 193 (with respect to illegal deductions), § 195 (with respect to the provision of hiring notices and earning statements), and § 196-b and New York City Administrative
Code § 20-911 et seq. (with respect to the provision of paid sick leave) (hereinafter referred to as the “Matter”).

This Assurance of Discontinuance (“AOD”) contains the OAG’s findings in connection with the Matter and the relief agreed to by the OAG and Uber (collectively, the “Parties”).

**FINDINGS BY THE OAG**

1. Uber operates in New York City within the regulatory framework overseen by the New York City Taxi & Limousine Commission (“TLC”) for For-Hire Vehicle Services and is licensed by the TLC to operate a For-Hire-Vehicle (“FHV”) base. As of 2019, Uber is licensed by the TLC as a High Volume For-Hire Service (“HVFHS”), a new license category required for TLC-licensed FHV bases that dispatch more than 10,000 trips per day. Uber operates in other parts of the state under New York State Vehicle and Traffic Law as a regulated transportation network company.

2. Uber enters into contracts with Drivers and Riders, pursuant to which Drivers can provide trips to Riders in the State of New York using the Uber Driver App.

3. Uber was required to collect state and local sales tax of 8.875% of the sales price of intrastate trips from Riders during the Relevant Period.

4. During that Relevant Period, Uber was required to collect a fee payable to the Black Car Fund (“BCF”) of 2.5% of the sales price of each trip.
5. Pursuant to agreements that Uber entered into with Drivers during the Relevant Period, Uber was required to pay Drivers: (a) the Fare less the applicable Service Fee; (b) the Tolls; and (c) depending on the region, certain taxes and ancillary fees.¹

6. In practice, during the Relevant Period, Uber did not separately charge or collect sales tax or BCF fees from Riders over and above the Fare, and hence Uber did not remit sales tax or BCF fees to Drivers.

7. During the Relevant Period, Uber only charged and collected from Riders the Fare, tolls, cancellation fees, and wait time charges.

8. Uber paid the Drivers the Fare less (a) the applicable Service Fee and (b) the Tolls; but did not remit to Drivers any amounts for taxes and ancillary fees over and above the Fare.

9. During the Relevant Period, Uber deducted amounts for sales tax and BCF fees from the amounts paid to Drivers, a practice that was contrary to the terms of the agreements and did not comply with NYLL § 193.

¹ The capitalized terms “Fare,” “Service Fee,” and “Tolls” were defined terms in the agreements at issue.

The agreements defined “Fare” as follows: “[Driver] is entitled to charge a fare for each instance of [providing] completed [trips] to a [Rider] that are obtained via the Uber [platform] (“Fare”), where such Fare is calculated based upon a base fare amount plus distance . . . and/or time amounts . . .”

The agreements defined “Service Fee” as follows: “[Driver] agrees to pay Uber a service fee on a per [trip] basis calculated as a percentage of the Fare . . .”

The agreements defined “Tolls” as follows: “any applicable road, bridge, ferry, tunnel and airport charges and fees, including inner-city congestion, environmental or similar charges as reasonably determined by [Uber] based on available information.”
10. Uber’s practice of deducting sales tax and BCF fees from the amounts paid to Drivers during the Relevant Period, and representations made by Uber about the existence and/or nature of the taxes and fees that Uber deducted from amounts paid to Drivers, did not comply with Executive Law § 63(12).

11. Uber did not provide Drivers with notices that explained what Drivers would earn and did not otherwise comply with NYLL § 195.

12. Uber did not provide Drivers with regular payment statements that explained Drivers’ compensation for Drivers’ time driving during the payment period and that did not otherwise comply with NYLL § 195.


14. Uber does not admit the OAG’s findings or alleged violations of law in Paragraphs 1 through 13 above.

15. The OAG finds the relief and agreements contained in this AOD are appropriate and in the public interest. **THEREFORE**, the OAG is willing to accept this AOD pursuant to Executive Law § 63(15), in lieu of commencing a statutory proceeding for violations of Executive Law § 63(12) based on the conduct described above.

**IT IS HEREBY UNDERSTOOD AND AGREED,** by and between the Parties:
16. **Entities Bound by the AOD.** This AOD binds Uber Technologies, Inc., as well as its principals, officers, successors, and assigns, and the OAG.

**MONETARY PAYMENT**

17. Uber agrees to pay $290 million (two hundred and ninety million dollars) (the “Settlement Amount”) in restitution within 45 days of the full execution of this AOD (the “Effective Date”). Payment of the Settlement Amount must be in the form of an electronic (ACH) or wire transfer, and proof of payment should be forwarded to the New York State Attorney General’s Office to the attention of:

Karen Cacace  
Bureau Chief  
Office of the Attorney General, Labor Bureau  
28 Liberty Street, 15th Floor  
New York, NY 10005  
Karen.Cacace@ag.ny.gov

At least 30 days before the payment is due, the OAG will provide to Uber instructions (with sufficient detail as reasonably requested by Uber) for the ACH or wire transfer. The payment and all correspondence related to this AOD must reference “AOD No. 23-040.”

18. The Settlement Amount will be paid to the OAG, and the entirety of it will be distributed as restitution to eligible current or former Drivers who completed at least one trip using the Uber Driver App between November 10, 2014 and the Effective Date (“Settlement Payments”).

19. Uber agrees to pay all reasonable costs up to $1 million (one million dollars) for a settlement administrator to disburse the Settlement Amount.
(“Settlement Administrator Costs”) to eligible current or former Drivers as described in the preceding Paragraph. The Settlement Administrator will be chosen by mutual agreement of the Parties. Uber will pay the reasonable costs of the Settlement Administrator directly on a monthly basis up to a cumulative total of no more than $1 million.

20. The sum of the Settlement Amount and any Settlement Administrator Costs up to $1 million (i.e., a sum no greater than $291 million) shall constitute Uber’s sole monetary obligations under this AOD (notwithstanding the prospective relief specified in Paragraphs 25 through 38), and the OAG shall not seek to impose on Uber any other financial obligation or liability related to the Matter.

21. The OAG has the sole discretion to reasonably determine which Drivers shall be eligible for an individual Settlement Payment and to determine the amount of the Settlement Payments, including the amounts and Driver recipients of any additional distributions of the Settlement Amount. At no time shall any monies from the Settlement Amount revert to Uber.

22. Uber will cooperate with the OAG and the Settlement Administrator by providing to the OAG and Settlement Administrator, within a reasonable timeframe following written request from the OAG and/or the Settlement Administrator, information reasonably available to Uber from its records needed to facilitate the payments to eligible Drivers. Uber agrees to provide reasonable cooperation necessary to identify, locate, and contact current and former Drivers who may be
eligible for a Settlement Payment, including providing for each Driver: (1) the name of the Driver; (2) a version of Uber’s internal identification number that prevents other private data about Drivers from being disclosed; (3) TLC license number; (4) the total number of hours each Driver drove providing trips using the Uber Driver App, by year, based on the sum of (i) the time between when a Driver commenced being en route to pick up a Rider after accepting a Rider’s requested trip in the Uber Driver App and the Driver reaching the Rider’s requested pick-up destination and waiting for the Rider at the requested pick-up destination ("P2 time"), and (ii) the time the Driver spent transporting a Rider to the requested drop-off destination ("P3 time"); (5) the amount each Driver earned per year while driving on the Uber Driver App; and (6) which Drivers completed trips in New York from November 10, 2014 through May 22, 2017, which were subject to sales tax and BCF charges, and the amount they were paid for each of those trips. Uber further agrees to reasonably cooperate to provide to the Settlement Administrator, pursuant to confidentiality and privacy terms, Drivers’ (1) last known address; (2) last known telephone number; (3) last-known email address; (4) social security number (to the extent known); and (5) preferred language (if known). Uber will also reasonably cooperate to provide to current Drivers any information related to the factual details of the settlement as the OAG may reasonably request.

23. Prior to Uber providing any of the Driver information referenced in Paragraph 22, the OAG and the Settlement Administrator will execute a
confidentiality agreement (to be negotiated between the Parties) that, among other things, prohibits the use of the Driver information provided by Uber for any purpose other than facilitating payments to Drivers, exempts the information from disclosure under the New York Freedom of Information Law and Freedom of Information Act, to the extent permitted by applicable law, and prohibits sharing that information with Uber’s competitors or any other third parties (including any federal, state, or local government entities).

24. Uber may seek to obtain, either through the OAG or the Settlement Administrator, upon the consent of the OAG, which shall not be unreasonably withheld, information about Settlement Payments made from the Settlement Amount to any particular Driver or set of Drivers (including as an absent class member(s) in a putative class action lawsuit) upon Uber’s representation to the OAG that such information is relevant to actual or threatened legal proceedings involving that Driver or set of Drivers (including as an absent class member(s) in a putative class action lawsuit), regulatory and tax obligations, or other purposes where such information is reasonably necessary.

**PROSPECTIVE RELIEF**

25. Unless a different timeframe is otherwise provided in the AOD, Uber will implement (1) the languages requirement as detailed in Paragraphs 34 and 35 within one year of the Effective Date, and (2) the remaining measures set forth in this section within 90 days of the Effective Date or, upon Uber’s request, within 120
days if Uber has made substantial progress towards implementation (“Applicable Implementation Period”).

**Paid Sick Leave**

26. **New York City Paid Sick Leave.** Any Driver who completes one or more trips originating in New York State after the Applicable Implementation Period (“Covered Drivers”), who is eligible to complete trips covered by the New York City Taxi & Limousine Commission’s rules and regulations for Minimum Driver Pay for High-Volume For Hire Services (“NYC Minimum Driver Pay Rules”), will earn paid sick leave at a rate of $17.00 per hour in accordance with the terms of this Paragraph. The paid sick leave will be accrued by Covered Drivers at a rate of 1 (one) hour of sick pay for every 30 hours worked (up to a maximum of 56 hours per year), of P2 and P3 time as defined in Paragraph 22. This sum will be in addition to the amount for paid time off that Covered Drivers receive for New York City trips under the NYC Minimum Driver Pay Rules (currently 6%). The $17.00 per hour rate will increase by $0.25 to $17.25 per hour as of March 1, 2024, and increase by another $0.26 to $17.51 as of June 1, 2024. Thereafter, the $17.51 per hour rate will be adjusted for inflation annually, effective March 1 each year, beginning March 1, 2025, using the lower of (i) a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the Consumer Price Index for Urban Wage Earners and Clerical Workers (“CPI-W”) for the NY-NJ-PA metro area. The average inflation rate described in the preceding sentence, and the corresponding
sentences in Paragraphs 27 and 30, shall be calculated by Uber and submitted to the OAG in writing by January 31 of the year in which the adjustment is to take effect (e.g., the adjustment taking effect March 1, 2025 will be calculated by Uber and submitted in writing to the OAG by January 31, 2025). The updated rate following the inflation adjustment described in this Paragraph, and in Paragraphs 27 and 30, shall be rounded to the nearest penny (e.g., a new rate calculated to be $26.255 would be rounded to $26.26; and a new rate calculated to be $26.254 would be rounded to $26.25), with the rounded rate serving as the baseline for the next year’s adjustment. Uber will not challenge the NYC Minimum Driver Pay Rules on the basis that Covered Drivers are receiving paid sick leave pursuant to Uber’s agreement with the OAG. Uber will also not challenge any claims by Covered Drivers that they are entitled to paid sick leave benefits on the basis of employee status so long as Covered Drivers are only seeking the benefit provided by Uber’s agreement with the OAG and Covered Drivers are seeking to use paid sick leave for the permissible reasons set forth in NYC Admin. Code § 20-911 et seq. and NYLL § 196-b. The process for Covered Drivers to see the accrual of their paid sick leave and claim paid sick leave through the Uber Driver App shall proceed as set forth in Paragraph 28.

27. **Non-New York City Paid Sick Leave.** Covered Drivers, who complete trips that originate within New York State after the Applicable Implementation Period, and that are not covered by the NYC Minimum Driver Pay Rules, will earn paid sick leave in accordance with the terms of this Paragraph. The paid sick leave
will be accrued by Covered Drivers at a rate of 1 (one) hour of sick pay for every 30 hours of P2 and P3 time as defined in Paragraph 22 (up to a maximum of 56 hours per year), with each hour of paid sick leave compensated at the higher of (i) the Covered Driver’s individual average hourly earnings rate (calculated based on the individual Covered Driver’s hourly earnings for P2 and P3 time for relevant trips for that preceding calendar quarter) or (ii) $26 per hour. The $26.00 per hour rate will increase by $0.39 to $26.39 per hour as of March 1, 2024, and increase by another $0.39 to $26.78 as of June 1, 2024. Thereafter, the $26.78 per hour rate will be adjusted for inflation annually, effective March 1 each year, beginning March 1, 2025, using the lower of (i) a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the CPI-W for the NY-NJ-PA metro area. Uber will not challenge any claims by Covered Drivers for paid sick leave benefits on the basis of employee status so long as Covered Drivers are only seeking the benefit provided by Uber’s agreement with the OAG and Covered Drivers are seeking to use the paid sick leave for the permissible reasons set forth in NYLL § 196-b. The process for Covered Drivers to see the accrual of their paid sick leave and claim paid sick leave through the Uber Driver App shall proceed as set forth in Paragraph 28.

28. Process for Covered Drivers to See the Accrual of Paid Sick Leave and Claim Paid Sick Leave Through the Uber Driver App. Uber shall modify the Uber Driver App to allow Covered Drivers to see the accrual of their paid sick leave and
claim paid sick leave through the Uber Driver App. Within 30 days of the Effective Date, Uber will present a draft mock-up or explanation of the applicable changes to the Uber Driver App to the OAG, and within 15 days thereafter, the OAG shall propose any adjustments it believes are required, which Uber will consider and implement to the extent reasonably practicable.

29. **Satisfaction of Obligations Under Sick Leave Statutes.** The Parties agree that so long as Uber satisfies its obligations under Paragraphs 26 through 28, the OAG will not take the position that Uber fails to meet any requirements under NYLL § 196-b or NYC Admin. Code § 20-911 *et seq.*, subject to the requirements set forth in “Conclusion of Investigation” below.

**Non-New York City Minimum Driver Pay**

30. Uber will ensure that each Covered Driver is paid an “earnings floor” of a minimum of $26 per hour for the Covered Driver’s P2 and P3 time (as defined in Paragraph 22) for trips originating within New York State after the Applicable Implementation Period that are not covered by the NYC Minimum Driver Pay Rules during the Earnings Period (as defined herein). For each Earnings Period, Uber will compare the Covered Driver’s earnings against the earnings floor for the Driver during the Earnings Period. In the event that the Driver’s earnings in the Earnings Period are less than the earnings floor for that Earnings Period, the Covered Driver will be paid the difference between the Covered Driver’s earnings and the earnings floor no later than during the next Earnings Period. The “Earnings Period” shall be
a period, set by Uber, not to exceed 14 consecutive calendar days. The earnings floor of $26.00 per hour will increase by $0.39 to $26.39 per hour as of March 1, 2024, and increase by another $0.39 to $26.78 as of June 1, 2024. Thereafter, the earnings floor of $26.78 per hour will be adjusted for inflation annually, effective March 1 each year, beginning March 1, 2025, using the lower of (i) a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the CPI-W for the NY-NJ-PA metro area. Uber will not object on the basis of employee status to wage claims filed by Drivers based on non-payment of this minimum pay standard. Uber will not challenge any claims by Covered Drivers that they are entitled to earnings under this minimum payment standard so long as Covered Drivers are only seeking the payments provided for by Uber’s agreement with the OAG.

**Payment for Trainings**

31. Covered Drivers will be paid for up to one hour of time (that is, a total of no more than one hour per Driver) for viewing and completing training materials that are created and made available by Uber. The rate of such payment will be the higher of (i) $15 per hour or (ii) the lowest applicable rate of basic minimum wage established by N.Y. Comp. Codes R. & Regs. Tit. 12, § 142-2.1 at the time the Covered Driver views and completes any training materials. Uber will pay Drivers for such time (subject to the above limitations) within the time period set forth in NYLL §191(1)(d).
Earnings Notification Document

32. Uber will make available for Covered Drivers an informational document with information about Covered Driver earnings and how Covered Drivers can access their earnings. The template has been agreed by the Parties and is attached as Addendum 1.

Trip Information Statements

33. Within 24 hours of the completion of a trip that takes place after the Applicable Implementation Period, Uber will provide an electronic statement (either via email or made available via display in the Uber Driver App or the driver portal on Uber’s website) to Covered Drivers showing for the trip: the total amount of P3 time as defined in Paragraph 22; the total mileage driven during P3 time as defined in Paragraph 22; and the amount the Rider paid for the trip. To the extent this information has not been provided to a Covered Driver via email and a Covered Driver no longer has access to the Uber Driver App or the Driver portal on Uber’s website, Uber agrees that it will provide such information to such Covered Drivers in a reasonably timely fashion via email or other means upon reasonable requests by such Covered Drivers, with respect to trips that occurred after the Effective Date and within 6 years of the date of the trip.

In-App Chat Support

34. Within one year of the Effective Date, Uber will offer in-App chat support for Covered Drivers in English, Spanish, French, Russian, Bengali, and
Chinese. Uber will provide Covered Drivers with the opportunity to chat with live personnel through Uber’s Driver App, and those personnel will be trained to have reasonable familiarity with relevant Uber policies and on appropriate and accurate information to convey to Covered Drivers.

**Deactivation Appeals**

35. Drivers will be eligible to appeal all decisions by Uber to deactivate the Driver’s access to the Uber Driver App through an Uber-managed process. Deactivation bases that are eligible for review through Uber’s Driver Review Center (*i.e.*, Uber’s in-app support for deactivation appeals) include but are not limited to: dangerous driving, suspected impaired driving, interpersonal conflict, wrong vehicle, service animal denial, harassment, sexual misconduct, low ratings, and trip fraud. Within one year of the Effective Date, Uber will ensure that the Driver Review Center includes languages set forth in Paragraph 34. Within 60 days after the Effective Date, Uber will provide the OAG with language that it plans to use to inform the Drivers of this policy.

**NYLL § 193**

36. Uber will not make any deductions from Covered Driver payments except those provided by NYLL § 193. To effectuate this provision of the AOD, Uber will present to the OAG amended language to the current contract Uber has with Covered Drivers within 30 days of the Effective Date, and within 15 days thereafter, the OAG shall propose any adjustments it believes are required, which
Uber will consider and implement to the extent reasonably practicable. During the term of the AOD, Uber will also provide to the OAG any proposed contract amendments Uber proposes to make related to the issue of deductions from Driver earnings after any initial contract revisions pursuant to the preceding sentence; and the OAG will within 15 days thereafter state any adjustments to such amendments it believes are required. The procedures set forth in this Paragraph, and implementation of any changes that are determined to be necessary as a result of it, shall encompass the full extent of Uber’s obligations to comply with the applicable provisions of NYLL § 193 under this AOD, subject to the requirements set forth in “Conclusion of Investigation” below.

**Other Applicable Provisions of Article 6**

37. Uber will comply with the following provisions of Article 6 of the NYLL with respect to Drivers by following the procedures set out in this Paragraph: NYLL §§ 191 (Frequency of Payments), 192 (Consent to Direct Deposit), 194 (Differential in Rate of Pay), 194-a (Wage or Salary History Inquiries), 196-D (Gratuities), 198-B (Kick-Back of Wages Prohibited), and 198-C (Benefits or Wage Supplements). To effectuate this undertaking, Uber will identify for the OAG relevant information and/or proposed changes to Uber’s website and/or to the Uber Driver App within 30 days following the Effective Date; within 30 days thereafter, the OAG shall state any adjustments it believes are required; and the Parties shall thereafter meet and confer within 30 days to mutually determine whether any further
information or changes are required. For purposes of this AOD, the procedures set forth in the preceding sentence, Uber’s compliance with the forward-looking relief set forth in Paragraphs 25 through 38, and implementation of any changes that are determined to be necessary as a result of it, shall encompass the full extent of Uber’s obligations to comply with the applicable provisions of Article 6 of NYLL.

**Annual Certification by Uber**

38. During the term of the AOD, Uber shall provide to the OAG on an annual basis an affidavit affirming that the company has internally conducted an audit regarding Uber’s obligations set forth in the AOD and that the company has satisfied the obligations set forth in the AOD. The affidavit and any communications with the OAG regarding the audit shall be treated as confidential and not subject to disclosure under applicable Freedom of Information laws, to the extent permissible under applicable law.

**Conclusion of Investigation**

39. The OAG will not commence a formal investigation, file litigation, or seek any additional injunctive or monetary relief so long as Uber complies with the monetary payments in Paragraphs 17 through 19, and the prospective relief in Paragraphs 25 through 38 above, in relation to (a) the Matter covered by the OAG investigation, including claims under Article 6 of the NYLL, NYC Admin. Code § 20-911 et seq., and NY Executive Law § 63(12) and (b) claims under Article 19 of the NYLL, including for minimum wage and overtime claims.
40. For any period before and during the time when the AOD is in effect, or, in the event of a material change in the law or Uber’s business practices that renders the prospective relief in Paragraphs 25 through 38 insufficient, for any period through the date of such material change, the OAG also will not pursue any additional monetary damages, restitution, or penalties beyond the Settlement Amount with respect to (a) the Matter, including claims under Article 6 of the NYLL, NYC Admin. Code § 20-911 et seq., and NY Executive Law § 63(12) and (b) claims under Article 19 of the NYLL.

41. If either party believes there is a material change in the law applicable to Drivers that calls into question the continued relevance and/or sufficiency of the prospective relief in Paragraphs 25 through 38, or the OAG believes there is a material change in Uber’s business practices that renders the prospective relief in Paragraphs 25 through 38 insufficient, the parties will meet and confer with a mediator and make a good faith attempt to reach a resolution before any action is taken.

42. If there is such a material change in the law or Uber’s business practices that renders the prospective relief in Paragraphs 25 through 38 insufficient, in no event will Uber be liable retroactively for any damages, restitution, or penalties based upon conduct that occurred prior to such a material change.

43. The subject matter of the investigation concerned an allegation that Drivers are misclassified under Article 6 of the New York Labor Law and was
conducted pursuant to Executive Law § 63(12) and alleged violations of Article 6 of the New York Labor Law, NYLL §§ 190 et seq., including but not limited to NYLL § 193 (with respect to Uber’s practice of paying sales tax and Black Car Fund fees from 2014-2017), NYLL § 195, NYLL § 196-b and NYC Admin. Code §20-911 et seq. Subject to the meet and confer requirement above, the OAG reserves the right to investigate or litigate alleged violations outside the subject matter of the investigation, including alleged violations that depend on a finding that Drivers are misclassified.

44. Five years from the Effective Date, the Parties will meet and confer to discuss the continued relevance and sufficiency of the prospective relief in Paragraphs 25 through 38 of the AOD.

No Retaliation

45. Uber agrees that it will not in any manner retaliate against any Drivers, including but not limited to Drivers or former Drivers, on the basis that they have cooperated or are perceived to have cooperated with the OAG’s investigation of this Matter. Uber agrees not to deactivate, refuse to activate, or take any adverse action against any of these Drivers except for reasons unrelated to the OAG investigation addressed in this AOD.

46. Uber agrees to cooperate to respond to inquiries by the OAG, to the extent reasonable and practicable, for information with respect to implementation of the terms of this AOD.
MISCELLANEOUS

Representations and Warranties

47. The OAG has agreed to the terms of this AOD based on, among other things, the representations made to the OAG by Uber and the OAG’s own factual investigation as set forth in Paragraphs 1 through 13 above. Uber represents and warrants that neither Uber nor its counsel have knowingly made any material representations to the OAG that are inaccurate or misleading. If, under Paragraph 52, a determination is made by the mediator or mediators that Uber or its counsel made material representations that are inaccurate or misleading, this AOD is voidable by the OAG in its sole discretion.

48. No representation, inducement, understanding, condition, or warranty not set forth in this AOD has been made or relied upon by Uber in agreeing to this AOD.

49. Each person signing this AOD hereby represents and warrants that she or he is authorized to sign and enter into this binding AOD on behalf of the applicable Parties listed below.

Effects of AOD

50. All terms and conditions of this AOD shall continue in full force and effect on any successor, assignee, or transferee of Uber. Uber shall include in any such successor, assignment, or transfer agreement a provision that has the effect of binding the successor, assignee, or transferee to the terms of the AOD. No party
may assign, delegate, or otherwise transfer any of its rights or obligations under this AOD without the prior written consent of the OAG.

51. Any failure by the OAG to insist upon the strict performance by Uber of any of the provisions of this AOD shall not be deemed a waiver of any of the provisions hereof, and the OAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all provisions of this AOD to be performed by Uber.

Disputes Regarding AOD

52. The Parties agree to the use of mediators should any issues or disputes arise between the Parties that are not immediately resolved. The Parties shall meet by telephone within three (3) business days with the assistance of the mediators to determine whether the issues can be speedily resolved, which deadline may be extended by mutual agreement of the Parties. Uber shall bear the cost of any such assistance of the mediators.

53. Uber expressly agrees and acknowledges that a default in the performance of any obligation under this AOD is a violation of the AOD, and that the OAG thereafter may commence the civil action or proceeding contemplated in Paragraph 15, in addition to any other appropriate investigation, action, or proceeding and nothing contained herein shall be construed to limit the remedies available to the OAG. Notwithstanding the foregoing, upon any default in the performance of any obligation during the Effective Period, the OAG shall give Uber
written notice of such default via first class mail and e-mail as indicated in Paragraph 64, which shall be effective three (3) days from the mailing of first class mail, after which Uber shall have 60 days to cure such default. Upon request from Uber, the OAG may extend the cure period, and such extension shall not be unreasonably withheld.

**Subsequent Proceedings**

54. Should the Parties be unable to resolve any issue or dispute that arises as described in Paragraph 52 and 53 above, Uber expressly agrees and acknowledges that the OAG may initiate a subsequent investigation, civil action, or proceeding to enforce this AOD or for violations of the AOD and agrees and acknowledges that in for purposes of such investigation, action, or proceeding:

a. In the event this AOD is voided or materially breached by Uber, any statute of limitations or other time-related defenses are tolled from and after the effective date of this AOD;

b. The OAG may use statements, documents, or other materials produced or provided by Uber in response to the subpoena in this Matter, except for settlement communications; and

c. any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Uber irrevocably and unconditionally waive any objection based upon personal jurisdiction, inconvenient forum, or venue.
55. If a court of competent jurisdiction determines that Uber has violated the AOD, Uber shall pay to the OAG the reasonable cost, if any, of obtaining such determination and of enforcing this AOD, including without limitation legal fees, expenses, and court costs.

General Principles

56. Unless a term limit for compliance is otherwise specified within this AOD, Uber’s obligations under this AOD are enduring. Nothing in this AOD shall relieve Uber of other obligations imposed by any applicable state, federal, or local law or regulation or other applicable law.

57. Unless otherwise specified herein, each party will bear its own costs, legal fees, and expenses. Notwithstanding the foregoing, Uber will bear the costs of mediation and any further involvement of the mediators up to the execution of this AOD.

58. This AOD may not be amended except by an instrument in writing signed on behalf of the Parties to this AOD.

59. This AOD, and any related negotiations or proceedings, shall not constitute, and shall not be construed as, an admission of any wrongdoing, fault, or liability whatsoever by Uber in the Matter or in any other proceeding.

60. In the event that any one or more of the provisions contained in this AOD shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the OAG, such
invalidity, illegality, or unenforceability shall not affect any other provision of this AOD.

61. Uber acknowledges that it has entered this AOD freely and voluntarily.

62. This AOD shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

63. The AOD and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

64. All notices, reports, requests, and other communications to any party pursuant to this AOD shall be in writing and shall be directed as follows:

   a. If to Uber to: Karen Dunn, Partner, 2001 K Street NW, Washington, DC, 20006-1047, kdunn@paulweiss.com or in her absence, the person holding the title of Chief Legal Officer at Uber.

   b. If to the OAG to: Karen Cacace, Labor Bureau, 28 Liberty Street, 15th Floor, New York, NY 10005, karen.cacace@ag.ny.gov or in her absence, the person holding the title of Bureau Chief, Labor Bureau.

Any changes in the person to whom communications should be specifically directed shall be made in writing in advance of the change.

65. This AOD may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.
IN WITNESS WHEREOF, this AOD is executed by the Parties hereto on

November 1, 2023.

LETITIA JAMES
ATTORNEY GENERAL
STATE OF NEW YORK

Karen Cacace
Bureau Chief
Labor Bureau
Office of the New York Attorney General

UBER TECHNOLOGIES, INC.

Randall Haimovici
Associate General Counsel,
Litigation, Regulatory & Competition
Uber Technologies, Inc.
ADDENDUM 1
Notice and Acknowledgement of Earnings for Independent Contractor Drivers Using Uber’s Driver App

1. Company Information

Name: Uber USA, LLC / Rasier-NY, LLC

Mailing Address:
175 Greenwich Street, 47 Fl
New York, NY
10007

Customer Service Phone Number:
1 800 593 7069 (Uber support) or https://help.uber.com/

2. Earnings

Drivers make money for each completed trip, and can make extra “incentive” money for using the app at certain times or under certain conditions. On top of that, riders may send drivers tips or other payments to cover things like tolls. These earnings are calculated as follows:

i. Earnings under Fare Addendum

A. Driver Payment

As set out in Uber’s current Fare Addendum, available at (https://drivers.uber.com/profile), Uber will remit to you:

1. The Fare for each trip. The Fare is explained below.
2. Any gratuity paid by the rider
3. Any tolls incurred or required by regulation
4. Any promotions or incentive payments that you earned
5. Any other fees pursuant to the terms of your agreement with Uber including, but not limited to, Wait Time Fee, Long Pick-Up Fee, Cancellation Fee, Cleaning Fee, or Lost Item Return Fee, if applicable.

We collect from riders applicable New York sales tax, applicable Black Car Fund surcharges, applicable TNC assessments, Port Authority fee, and certain other fees as required by law. These items are not deducted from your payment.

As per the Fare Addendum, riders also pay an amount that corresponds to our Service Fee. The Service Fee is a charge that you pay to Uber in consideration for services connecting you to Riders and related services, including payment processing. Uber will collect from the rider on your behalf the amount corresponding to the Service Fee and will remit the rider payment to you net Uber’s Service Fee.

B. Fares

For trips originating in NYC, driver Fares consist of amounts that are based on the actual distance and/or time of the trip. For all trips originating outside of NYC, the Fare consists of a base amount and amounts that are based on market conditions, and/or the estimated and/or actual distance and time of the trip. Market conditions such as available supply of drivers and demand for ride requests may, among other factors, affect the final Fare for any particular trip. The Fare may include certain of the additional fees that are applicable as outlined above. For each ride, we will provide you with notice of the applicable additional fees.

On certain trips, when you receive a ride request, our platform may surface a pre-trip fare. You accept this pre-trip fare by

ii. Earnings for Trips originating in NYC. For each trip, drivers in NYC will be paid at least the minimum per-trip amount required by the NYC TLC’s Minimum Driver Pay Rules. Drivers may view rates at https://www.nyc.gov/site/tlc/about/driver-pay-rates.page

iii. Earnings for Trips Originating Outside of NYC.

For trips originating within New York State that do not fall under the NYC Minimum Driver Pay Rules, Drivers will receive per-trip payments, and their earnings will amount to at least $26 per hour on a biweekly basis, explained in more detail below.

On certain trips, when a driver receives a ride request, the Uber platform may surface a pre-trip fare. After the trip, that amount could be adjusted based on changes in the address of pickup/dropoff locations, wait times, or other factors. Drivers make a minimum amount for all rides completed during each pre-defined 14 day pay period (the “earnings period”), which means drivers earn no less than $26 per hour (to be adjusted each year for inflation) during each earnings period based on (a) the time between the driver accepting a rider’s requested trip in the Uber Driver App and the driver reaching the rider’s requested pick-up destination, including any waiting time, and (b) the time the driver spends transporting a rider to the requested drop-off destination. If the driver’s earnings in each earnings period are less than $26 per hour (adjusted each year for inflation) Uber will pay the driver the difference between what the driver was paid and what amounts to $26 per hour for the cumulative time spent for
accepting the ride request. The pre-trip fare may be adjusted if the length or duration of the trip deviates from the estimated length or duration that was used to calculate the pre-trip fare.

On a canceled trip, a cancellation fee may be charged to a rider. If charged to a rider, the cancellation fee paid to a driver is equivalent to the cancellation fee paid by the rider, less the service fee charged by Uber. The cancellation fee paid by the rider varies by product, market, time and distance to the designated pick-up location, and wait time at the designated pick-up location.

Where available, the current base amount, distance rates, time rates, and fees as of the date of this notice are set forth in the addendum below and are available at (https://drivers.uber.com/profile). We will also provide you with notice of any changes to these rates.

completed trips using the same calculations described above at iii(a) and iii(b).

3. Earnings Access: Drivers’ earnings are automatically paid out, without any fees or charges, on a weekly basis. For additional information, please read the fare addendum and Platform Access Agreement.

4. Driver Acknowledgement:
I have received this notice of earnings.

Check one:
☐ I have been given this earnings notice in English, and English is my primary language.
☐ My primary language is _____________. I have been given this earnings notice in English only, because this earnings notice form is not presently available in my primary language.

[Driver Name]

[Electronic Driver Signature / Acknowledgment]

Date
The Office of the Attorney General of the State of New York (“OAG”) has investigated Lyft, Inc. (“Lyft”) pursuant to Executive Law § 63(12).

The investigation examined Lyft’s practice of classifying drivers providing trips to passengers (“Riders”) in the State of New York using the Lyft Driver App (“Drivers”) as independent contractors not subject to Article 6 of the New York Labor Law (the “NYLL”), NYLL § 190 et seq.; Lyft’s deduction of sales tax and Black Car Fund (“BCF”) fees from Drivers’ earnings during the period of October 2015 through July 2017 (the “Relevant Period”); and Lyft’s representations about the deduction of sales tax and BCF fees from Drivers’ earnings during the Relevant Period. The investigation evaluated whether Lyft’s practices may have violated Executive Law § 63(12), Article 6 of the NYLL, including NYLL § 193 (with respect to illegal deductions), § 195 (with respect to the provision of hiring notices and earning statements), and § 196-b and New York City Administrative Code § 20-
911 et seq. (with respect to the provision of paid sick leave) (hereinafter referred to as the “Matter”).

This Assurance of Discontinuance (“AOD”) contains the OAG’s findings in connection with the Matter and the relief agreed to by the OAG and Lyft (collectively, the “Parties”).

**FINDINGS BY THE OAG**

1. Lyft operates in New York City within the regulatory framework overseen by the New York City Taxi & Limousine Commission (“TLC”) for For-Hire Vehicle Services and is licensed by the TLC to operate a For-Hire-Vehicle (“FHV”) base. As of 2019, Lyft is licensed by the TLC as a High Volume For-Hire Service (“HVFHS”), a new license category required for TLC-licensed FHV bases that dispatch more than 10,000 trips per day. Lyft operates in other parts of the state under New York State Vehicle and Traffic Law as a regulated transportation network company.

2. Lyft enters into Terms of Service with Drivers and Riders (“Agreements”), pursuant to which Drivers can provide trips to Riders in the State of New York using the Lyft App.

3. Lyft was required to collect state and local sales tax of 8.875% of the sales price of intrastate trips from Riders during the Relevant Period.

4. During the Relevant Period, Lyft was required to collect a fee payable to the Black Car Fund (“BCF”) of 2.5% of the sales price of each trip.
5. Pursuant to the Agreements that Lyft entered into with Riders during the Relevant Period, Lyft informed Riders that in addition to the sales price of the trip (i.e., the “Ride Fee” or “Fare”) that was charged for a ride, other charges to Riders included other applicable fees, tolls, surcharges and taxes, separate from the Fare.

6. Pursuant to the Agreements that Lyft entered into with Drivers during the Relevant Period, Drivers were entitled to receive the Fare charged to the Rider and were required to pay to Lyft an Administrative Fee or Commission.

7. During the Relevant Period, Lyft did not collect sales tax or BCF fees from Riders.

8. Instead, during the Relevant Period, Lyft deducted sales tax and BCF fees from the Drivers’ pay, a practice that was contrary to their Terms of Service and which did not comply with NYLL § 193.

9. Lyft’s practice of taking sales tax and BCF fees from Drivers’ earnings during the Relevant Period, and representations made by Lyft about the existence and/or nature of the taxes and fees that Lyft deducted from Drivers’ earnings, did not comply with Executive Law § 63(12).

10. Lyft did not provide Drivers with notices that accurately explained what Drivers would earn and did not otherwise comply with NYLL § 195.
11. Lyft did not provide Drivers with regular payment statements that accurately explained their earnings for Drivers’ time driving during the payment period and did not otherwise comply with NYLL § 195.

12. Lyft did not provide Drivers with paid sick leave under N.Y.C. Admin. Code § 20-911, et seq., and/or NYLL § 196-b.

13. Lyft does not admit the OAG’s findings and alleged violations of law in Paragraphs 1 through 12 above.

14. The OAG finds the relief and agreements contained in this AOD are appropriate and in the public interest. THEREFORE, the OAG is willing to accept this AOD pursuant to Executive Law § 63(15), in lieu of commencing a statutory proceeding for violations of Executive Law § 63(12) based on the conduct described above and relating to the Matter.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Parties:

15. Entities Bound by the AOD. This AOD binds Lyft, Inc., as well as its principals, officers, successors, and assigns, and the OAG.

MONETARY PAYMENT

16. Lyft agrees to pay $38 million (the “Settlement Amount”) in accordance with the following payment schedule and terms:
a. An initial payment of $20 million to be received by the OAG within 30 days of the date on which the AOD is fully executed (the “Effective Date”).

b. 23 monthly payments in the amount of $782,608.70 each, with the first of these monthly payments to be received by the OAG no later than the 60th day after the Effective Date of the AOD, and each of the remaining 22 monthly payments to be received by the OAG no later than 30 days after the date of the prior payment.

c. Payment of the Settlement Amount must be in the form of an Electronic (ACH) transfer, and proof of payment should be forwarded to the New York State Attorney General’s Office to the attention of:

Karen Cacace
Bureau Chief
Office of the Attorney General, Labor Bureau
28 Liberty Street, 15th Floor
New York, NY 10005
Karen.Cacace@ag.ny.gov

d. Instructions for the electronic transfer will be provided to Lyft. The payment and all correspondence related to this AOD must reference “AOD No. 23-041.”

17. The Settlement Amount will be paid to the OAG, and the entirety of it will be distributed as restitution to eligible current or former Drivers who completed
at least one trip using the Lyft App between October 11, 2015 and the Effective Date (“Settlement Payments”).

18. Lyft agrees to pay all reasonable costs up to $1 million (one million dollars) for a Settlement Administrator to disburse the Settlement Amount (“Settlement Administrator Costs”) to eligible current or former Drivers as described in the preceding Paragraph. The Settlement Administrator will be chosen by mutual agreement of the Parties. Lyft will pay the reasonable costs of the Settlement Administrator directly on a monthly basis up to a cumulative total of no more than $1 million.

19. The sum of the Settlement Amount and any Settlement Administrator Costs up to $1 million (i.e., a sum no greater than $39 million) shall constitute Lyft’s sole monetary obligations under this AOD (notwithstanding the prospective relief specified in Paragraphs 25 through 37), and the OAG shall not seek to impose on Lyft any other financial obligation or liability related to the Matter.

20. The OAG has the sole discretion to reasonably determine which Drivers shall be eligible for an individual Settlement Payment and to determine the amount of each Settlement Payment, including the amounts and Driver recipients of any additional distributions of funds. At no time shall any monies from the Settlement Amount revert to Lyft.

21. Lyft will cooperate with the OAG and the Settlement Administrator by providing to the OAG and Settlement Administrator, within a reasonable timeframe
following written request from the OAG and/or the Settlement Administrator, information reasonably available to Lyft from its records needed to facilitate the payments to eligible Drivers. Lyft agrees to provide information to the OAG and Settlement Administrator that is reasonably available to Lyft regarding current or former Drivers who may be eligible for a Settlement Payment, including for each Driver: the name of the Driver; TLC license number; unique identifying number; the total number of hours for each Driver, by year, based on the sum of (i) the time between the Driver accepting a Rider’s requested trip in the Lyft Driver App and the Driver reaching the Rider’s requested pick-up destination and waiting for the Rider at the requested pick-up destination (“P2 time”), and (ii) the time the Driver spends transporting a Rider to the requested drop-off destination (“P3 time”); the amount each Driver earned per year while driving on the Lyft platform; and which Drivers completed trips in NY from October 11, 2015 through July 31, 2017, which were subject to sales tax and BCF charges, and the total amount they were paid for those trips. Lyft further agrees to provide reasonable cooperation to provide to the Settlement Administrator, pursuant to confidentiality and privacy terms and to the extent reasonably available in its existing records, each Drivers’ last-known shipping address, last-known telephone number, last-known email address, and social security number (to the extent known). Lyft will also post on its website contact information for the OAG and Settlement Administrator upon reasonable request from the OAG
and Lyft will direct Drivers who inquire about Settlement Payments to the Settlement Administrator.

22. Prior to Lyft providing any of the Driver information referenced in Paragraph 21, the OAG and the Settlement Administrator will execute a confidentiality agreement (to be negotiated between the Parties) that, among other things, prohibits the use of the Driver information provided by Lyft for any purpose other than facilitating payments to Drivers, exempts the information from disclosure under the New York Freedom of Information Law and Freedom of Information Act, to the extent permitted by applicable law, and prohibits sharing that information with Lyft’s competitors or any other third parties (including any federal, state, or local government entities).

23. Lyft may seek to obtain, either through the OAG or the Settlement Administrator, upon the consent of the OAG, which shall not be unreasonably withheld, information about Settlement Payments made from the Settlement Amount to any particular Driver or set of Drivers (including putative class member(s) in a putative class action lawsuit) upon Lyft’s representation to the OAG that such information is relevant to actual or threatened legal proceedings involving that Driver or set of Drivers (including putative class member(s) in a putative class action lawsuit), regulatory and tax obligations, or other purposes where such information is reasonably necessary.
PROSPECTIVE RELIEF

24. Lyft will implement (a) the languages requirement as detailed in Paragraphs 33 and 34 within one year of the Effective Date, (b) the Earnings Notification Document as detailed in Paragraph 31 and attached as Appendix A within six months of the Effective Date, and (c) the remaining measures set forth in this section within 90 days of the Effective Date or, upon Lyft’s request, within 120 days if Lyft has made substantial progress towards implementation (“Applicable Implementation Period”).

Paid Sick Leave

25. New York City Paid Sick Leave. Any Driver who completes one or more trips originating in New York State after the Applicable Implementation Period (“Covered Drivers”), who is eligible to complete trips covered by the New York City Taxi & Limousine Commission’s rules and regulations for Minimum Driver Pay for High-Volume For Hire Services (“NYC Minimum Driver Pay Rules”), will accrue paid sick leave at a rate of $17.00 per hour in accordance with the terms of this Paragraph. The paid sick leave will be accrued by Covered Drivers at a rate of 1 hour of sick pay for every 30 hours of P2 and P3 time as defined in Paragraph 21 (up to a maximum of 56 hours per year). This sum will be in addition to the amount for paid time off that Covered Drivers receive for New York City trips under the NYC Minimum Driver Pay Rules (currently 6%). The $17.00 per hour minimum rate will increase by $0.25 to $17.25 per hour as of March 1, 2024, and increase by another
$0.26 to $17.51 as of June 1, 2024. Thereafter, the $17.51 per hour minimum rate will be adjusted for inflation annually, effective March 1 each year, beginning March 1, 2025, using the lower of (i) a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the Consumer Price Index for Urban Wage Earners and Clerical Workers (“CPI-W”) for the NY-NJ-PA metro area. The average inflation rate described in the preceding sentence, and the corresponding sentences in Paragraphs 26 and 29, shall be calculated by Lyft and submitted to the OAG in writing by January 31 of the year in which the adjustment is to take effect (e.g., the adjustment taking effect March 1, 2025 will be calculated by Lyft and submitted in writing to the OAG by January 31, 2025). The updated rate following the inflation adjustment described in this Paragraph, and in Paragraphs 26 and 29, shall be rounded to the nearest penny (e.g., a new rate calculated to be $26.255 would be rounded to $26.26; and a new rate calculated to be $26.254 would be rounded to $26.25), with the rounded rate serving as the baseline for the next year’s adjustment. Lyft will not challenge the NYC Minimum Driver Pay Rules on the basis that Covered Drivers are receiving paid sick leave pursuant to Lyft’s agreement with OAG. Lyft will also not challenge any claims by Covered Drivers that they are entitled to paid sick leave benefits so long as Covered Drivers are only seeking the benefit provided by Lyft’s agreement with OAG and Covered Drivers are seeking to use the paid sick leave for the permissible reasons set forth in New York City Administrative Code § 20-911 et seq. and NYLL § 196-b.
Notwithstanding the foregoing, Lyft reserves the right to dispute the amount of paid sick leave claimed by a Covered Driver under this AOD. The process for Covered Drivers to see the accrual of their paid sick leave and claim paid sick leave through the Lyft Driver App shall proceed as set forth in Paragraph 27.

26. **Non-New York City Paid Sick Leave.** Covered Drivers, who complete trips that originate within New York State after the Applicable Implementation Period and are not covered by the NYC Minimum Driver Pay Rules, will accrue paid sick leave in accordance with the terms of this Paragraph. The paid sick leave will be accrued by Covered Drivers at a rate of 1 hour of sick pay for every 30 hours of P2 and P3 time as defined in Paragraph 21 (up to a maximum of 56 hours per year), with each hour of paid sick leave compensated at the higher of (i) the Covered Driver’s individual average hourly earnings rate (calculated based on the individual Covered Driver’s hourly earnings for P2 and P3 time for relevant trips during the preceding calendar quarter) or (ii) $26 per hour. The amount of $26.00 per hour will increase by $0.39 to $26.39 per hour as of March 1, 2024, and increase by another $0.39 to $26.78 as of June 1, 2024. Thereafter, the amount of $26.78 per hour will be adjusted for inflation annually, effective March 1 each year, beginning March 1, 2025, using the lower of (i) a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the “CPI-W” for the NY-NJ-PA metro area. Lyft will not challenge any claims by Covered Drivers for paid sick leave benefits so long as Covered Drivers are only seeking the benefit provided by Lyft’s
agreement with the OAG and Covered Drivers are seeking to use the paid sick leave for the permissible reasons set forth in NYLL § 196-b. Notwithstanding the foregoing, Lyft reserves the right to dispute the amount of paid sick leave claimed by a Covered Driver under this AOD. The process for Covered Drivers to see the accrual of their paid sick leave and claim paid sick leave through the Lyft Driver App shall proceed as set forth in Paragraph 27.

27. **Process for Covered Drivers to See the Accrual of Paid Sick Leave and Claim Paid Sick Leave Through the Lyft Driver App.** Lyft shall modify the Lyft Driver App to allow Covered Drivers to see the accrual of their paid sick leave and claim paid sick leave through the Lyft Driver App. Within 30 days of the Effective Date, Lyft will present a draft mock-up or explanation of the applicable changes to the Lyft Driver App to OAG, and within 15 days thereafter, OAG shall propose any adjustments it believes are required, which Lyft will consider and implement to the extent reasonably practicable.

28. **Satisfaction of Obligations Under Sick Leave Statutes.** The Parties agree that, so long as Lyft satisfies its obligations under Paragraphs 25 through 27, OAG will not take the position that Lyft fails to meet any requirements under NYLL § 196-b or NYC Administrative Code § 20-911 *et seq.*, subject to the requirements set forth in “Conclusion of Investigation” below.
**Non-New York City Minimum Driver Pay**

29. Lyft will ensure that each Covered Driver is paid an “earnings floor” of a minimum of $26 per hour for the Covered Driver’s P2 and P3 time (as defined in Paragraph 21) for trips originating within New York State after the Applicable Implementation Period that are not covered by the NYC Minimum Driver Pay Rules. For each Earnings Period (as defined herein), Lyft will compare the Covered Driver’s earnings against the earnings floor for the Covered Driver during the Earnings Period. In the event that the Covered Driver’s earnings in the Earnings Period are less than the earnings floor for that Earnings Period, Covered Drivers will be paid the difference between the Covered Driver’s earnings and the earnings floor no later than during the next Earnings Period. The “Earnings Period” shall be a period, set by Lyft, not to exceed 14 consecutive calendar days. The earnings floor of $26.00 per hour will increase by $0.39 to $26.39 per hour as of March 1, 2024, and increase by another $0.39 to $26.78 as of June 1, 2024. Thereafter, the earnings floor of $26.78 will be adjusted for inflation annually, effective March 1 each year, beginning March 1, 2025, using the lower of (i) a 3 percent annual rate; or (ii) the average inflation rate for the preceding calendar year as reflected in the CPI-W for the NY-NJ-PA metro area. Lyft will not challenge any claims by Covered Drivers that they are entitled to earnings under this minimum payments standard so long as Covered Drivers are only seeking the payments provided for by Lyft’s agreement.
with the OAG. Notwithstanding the foregoing, Lyft reserves the right to dispute the amount of a minimum payment claimed by a Covered Driver under this AOD.

**Payment for Trainings**

30. Covered Drivers will be paid for up to one hour of time (that is, a total of no more than one hour per Covered Driver) for viewing and completing training materials that are created and made available by Lyft. The rate of such payment will be at least the higher of (i) $15 per hour or (ii) the lowest applicable rate of basic minimum wage established by N.Y. Comp. Codes R. & Regs. tit. 12, § 142-2.1 at the time the Covered Driver views and completes any training materials. Lyft will pay Covered Drivers for training within the time period set forth in NYLL § 191(1)(d).

**Earnings Notification Document**

31. Lyft will make available for Covered Drivers an informational document with information about Covered Driver earnings and how Covered Drivers can access their earnings. The template has been agreed by the Parties and is attached as Appendix A.

**Trip Information Statements**

32. Within 24 hours of the completion of a trip that takes place after the Applicable Implementation Period, Lyft will provide an electronic statement (either via email or made available via display in the Lyft Driver App or the driver portal on Lyft’s website) to Covered Drivers showing for the trip: the total amount of P2
and P3 time as defined in Paragraph 21; the total mileage driven during P2 and P3
time as defined in Paragraph 21; and the amount the Rider paid for the trip. To the
extent this information has not been provided to a Covered Driver via email and a
Covered Driver no longer has access to the Lyft Driver App or the driver portal on
Lyft’s website, Lyft agrees that it will provide such information to such Covered
Drivers in a reasonably timely fashion via email or other means upon reasonable
requests by such Covered Drivers, with respect to trips that occurred after the
Effective Date and within 6 years of the date of the trip.

**In-App Chat Support**

33. Within one year of the Effective Date, Lyft will offer in-App chat
support for Covered Drivers in three languages — English, Spanish, and Canadian
French. Lyft will provide Covered Drivers with the opportunity to chat with live
personnel through Lyft’s Driver App, and those personnel will be trained to have
reasonable familiarity with relevant Lyft policies, and on appropriate and accurate
information to convey to Covered Drivers.

**Deactivation Appeals**

34. Covered Drivers will be eligible to appeal all decisions by Lyft to
deactivate the Driver’s access to the Lyft Driver App through a Lyft-managed
process. Deactivation bases that are eligible for review include but are not limited
to: dangerous driving, suspected impaired driving, interpersonal conflict, wrong
vehicle, service animal denial, harassment, sexual misconduct, low ratings, and trip
fraud. Within one year of the Effective Date, Lyft will provide deactivation appeals support in three languages — English, Spanish, and Canadian French. Within 60 days of the Effective Date, Lyft will provide the OAG with language that it plans to use to inform the Covered Drivers of this policy.

**NYLL § 193**

35. Lyft will not make any deductions from Covered Driver payments except those provided by NYLL § 193. To effectuate this provision of the AOD, Lyft will present to OAG amended language to the current agreement Lyft has with Covered Drivers within 30 days of the Effective Date, and within 15 days thereafter, OAG shall propose any adjustments it believes are required, which Lyft will consider and implement to the extent reasonably practicable. Lyft will also provide to the OAG any proposed contract amendments Lyft proposes to make related to the issue of deductions from Driver earnings after any initial contract revisions pursuant to the preceding sentence; and the OAG will within 15 days thereafter state any adjustments to such amendments it believes are required, which Lyft will consider and implement to the extent reasonably practicable. If the OAG believes that Lyft has not complied with the requirement in the preceding sentence, the Parties will meet and confer and make a good faith attempt to reach a resolution before any action is taken. If the OAG still believes that Lyft is in default, the OAG shall give Lyft written notice of such alleged default via first class mail and e-mail, which shall be effective three days from the mailing of first class mail, after which Lyft shall
have 60 days to cure such default. Upon request from Lyft, the OAG may extend the
60-day cure period, and such extension shall not be unreasonably withheld. The
procedures set forth in this Paragraph, and implementation of any changes that are
determined to be necessary as a result of it, shall encompass the full extent of Lyft’s
obligations to comply with the applicable provisions of NYLL § 193 under this
AOD, subject to the requirements set forth in “Conclusion of Investigation” below.

**Other Applicable Provisions of Article 6**

36. Lyft will comply with the following provisions of Article 6 of the
NYLL with respect to Drivers by following the procedures set out in this Paragraph:
NYLL §§ 191 (Frequency of Payments) (by paying Drivers their earnings no less
frequently than semi-monthly and paying Drivers their final earnings on the next
regularly scheduled transfer of earnings day), 192 (Consent to Direct Deposit) (by
paying Drivers via direct deposit or wire transfer as elected and inputted into the
Lyft App by the Drivers), 194 (Differential in Rate of Pay) (by paying all Drivers
consistent with the framework agreed to in this AOD and as set forth to the Drivers
in the notice attached hereto as Appendix A), 194-a (Wage or Salary History
Inquiries) (by not asking Drivers for their wage or salary history prior to their using
the Lyft App), 196-D (Gratuities) (by paying all Drivers consistently with the
framework agreed to in this AOD and as set forth to the Drivers in the notice attached
hereto as Appendix A), 198-B (Kick-Back of Wages Prohibited) (by not requesting
or demanding the return of any of the earnings paid to Drivers consistent with the
framework agreed to in this AOD and as set forth to the Drivers in the notice attached here to as Appendix A), and 198-C (Benefits or Wage Supplements) (by providing Drivers with paid sick leave as set forth in this AOD). To effectuate this undertaking, Lyft will identify for OAG relevant information and/or proposed changes to the website and/or the Lyft App relating to the above provisions within 30 days following the Effective Date; within 30 days thereafter, OAG shall state any adjustments it believes are required; and the Parties shall thereafter meet and confer within 30 days to mutually determine whether any further information or changes are required. For purposes of this AOD, compliance with the preceding sentence, with the forward-looking relief set forth in Paragraphs 25 through 37, and implementation of any changes that are determined to be necessary as a result of it, shall encompass the full extent of Lyft’s obligations to comply with the applicable provisions of Article 6 of NYLL.

**Annual Certification by Lyft**

37. Lyft shall provide to the OAG on an annual basis an affidavit affirming that the company has internally conducted an audit regarding Lyft’s obligations set forth in Paragraphs 25 through 37 of this AOD and that the company has satisfied the obligations set forth in the AOD. The affidavit and any communications with the OAG regarding the audit shall be treated as confidential and not subject to disclosure under applicable Freedom of Information laws, to the extent permissible under applicable law.
**Conclusion of Investigation**

38. The OAG will not commence a formal investigation, file litigation, or seek any additional injunctive or monetary relief, so long as Lyft complies with the monetary payments described in Paragraphs 16 and 18 above, and the forward looking relief described in Paragraphs 25 through 37 above, in relation to (a) any subject matter covered by the OAG investigation, including claims under Article 6 of the NYLL, NYC Admin Code § 20-911 et seq., and NY Executive Law § 63(12), and (b) claims under Article 19 of the NYLL, including for minimum wage and overtime claims.

39. The OAG also will not pursue any additional monetary damages, restitution, or penalties beyond the Settlement Amount for (a) any subject matter covered by the Investigation, including claims under Article 6 of the NYLL, NYC Admin Code § 20-911 et seq., and NY Executive Law § 63(12), and (b) claims under Article 19 of the NYLL, for the period up to and including the date of execution of the AOD and, in the event of a material change in the law or Lyft’s business practices that calls into question the continued relevance and/or sufficiency of the forward-looking relief, through the date of such material change.

40. If either party believes there is a material change in the law or Lyft’s business practices that calls into question the continued relevance and/or sufficiency of the prospective relief in Paragraphs 25 through 37, the Parties will meet and confer and make a good faith attempt to reach a resolution before any action is taken.
41. If there is such a material change in the law or Lyft’s business practices that calls into question the continued relevance and/or sufficiency of the prospective relief set forth herein, in no event will Lyft be liable retroactively for any damages, restitution, or penalties based upon conduct that occurred prior to such a material change.

42. Subject to the meet and confer requirement above, the OAG reserves the right to investigate or litigate alleged violations outside the Matter, including alleged violations that depend on a finding that Drivers are misclassified. Five years from the Effective Date, the Parties will meet and confer to discuss the continued relevance and sufficiency of the prospective relief in Paragraphs 25 through 37 of the AOD.

**No Retaliation**

43. Lyft agrees that it will not in any manner retaliate against any Drivers, including but not limited to Drivers or former Drivers on the basis that they have cooperated, or are perceived to have cooperated with the OAG’s investigation of this Matter. Lyft agrees not to deactivate, refuse to activate, or take any adverse action against any of these Drivers except for reasons unrelated to the OAG investigation addressed in this AOD.
**Ongoing Cooperation**

44. Lyft agrees to respond to inquiries by the OAG, to the extent reasonable and practicable, for information with respect to implementation of the terms of this AOD.

**MISCELLANEOUS**

**Representations and Warranties**

45. The OAG has agreed to the terms of this AOD based on, among other things, the representations made to the OAG by Lyft and the OAG’s own factual investigation as set forth in Paragraphs 1 through 12 above. Lyft represents and warrants that neither Lyft nor its counsel have knowingly made any material representations to the OAG that are inaccurate or misleading. If, under Paragraph 48, a determination is made by the mediator or mediators that Lyft or its counsel made material representations that are inaccurate or misleading, this AOD is voidable by the OAG in its sole discretion.

46. No representation, inducement, promise, understanding, condition, or warranty not set forth in this AOD have been made or relied upon by Lyft in agreeing to this AOD.

47. Each person signing this AOD hereby represents and warrants that she or he is authorized to sign and enter into this binding AOD on behalf of the applicable Parties listed below.
Disputes Regarding AOD

48. In the event any issues or disputes arise between the Parties, the Parties shall meet by telephone within three (3) business days to determine whether the issues can be speedily resolved, which deadline may be extended by mutual agreement of the Parties. Should the OAG and Lyft agree that any further involvement by a mediator or mediators is necessary after the execution of the AOD, the OAG and Lyft shall meet and confer to discuss the allocation of these costs.

49. Lyft expressly agrees and acknowledges that a default in the performance of any obligation under this AOD is a violation of the AOD, and that the OAG thereafter may commence the civil action or proceeding contemplated in Paragraph 14, in addition to any other appropriate investigation, action, or proceeding and nothing contained herein shall be construed to limit the remedies available to the OAG. Notwithstanding the foregoing, upon any default in the performance of any obligation under this AOD, the OAG shall give Lyft written notice of such default via first class mail and e-mail, which shall be effective three days from the mailing of first class mail, after which Lyft shall have 60 days to cure such default. Upon request from Lyft, the OAG may extend the 60-day cure period, and such extension shall not be unreasonably withheld.

Effects of AOD

50. All terms and conditions of this AOD shall continue in full force and effect on any successor, assignee, or transferee of all or substantially all of the assets
and equity interests of Lyft. Lyft shall include in any such successor, assignment or transfer agreement a provision that has the effect of binding the successor, assignee or transferee to the terms of the AOD. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this AOD without the prior written consent of the OAG.

51. Lyft shall not in a single transaction, or a series of related transactions, in each case occurring after the Effective Date, (a) sell or transfer assets having a fair market value equal to fifty percent (50%) or more of the consolidated assets of Lyft, as determined by the most recent financial statements filed by Lyft with the SEC on the date of such sale or transfer (other than (i) sales or transfers of inventories, or (ii) sales or transfers to an entity owned directly or indirectly by Lyft) (such sale or transfer, a “Material Disposition”), (b) undertake a Material Disposition that is not for fair consideration in the sole discretion of Lyft’s board of directors, or (c) sell or transfer assets in a single transaction or a series of related transactions (other than sales or transfers of inventories) that would reasonably be expected to prevent Lyft from being able to make the remaining payments under this AOD following the close of such sale or transfer transaction (such sale or transfer transaction, a “Material Transaction”), unless in the case of a Material Disposition or a Material Transaction, (i) Lyft obtains the acquiror’s agreement that it will be either a guarantor of or be directly responsible for the percentage of Lyft’s remaining payment obligations under this AOD equal to the percentage of Lyft’s consolidated
assets being sold or transferred in such Material Transaction (as reasonably
determined by Lyft) (such percentage of the remaining payment obligations, the
“Applicable Percentage Amount”) or (ii) Lyft or the acquiror pays, promptly upon
the consummation of such Material Disposition or Material Transaction, the
Applicable Percentage Amount.

52. Any failure by the OAG to insist upon the strict performance by Lyft
of any of the provisions of this AOD shall not be deemed a waiver of any of the
provisions hereof, and the OAG, notwithstanding that failure, shall have the right
thereafter to insist upon the strict performance of any and all provisions of this AOD
to be performed by Lyft.

Bankruptcy and Non-Payment

53. Lyft hereby warrants and represents that, as of the date of the execution
of this AOD, it is not insolvent as such term is defined and interpreted under 11
U.S.C. §101(32) et seq. (“Code”), including, without limitation, Code §§ 547 and
548.

54. Lyft shall provide reasonably sufficient financial documentation to the
OAG to establish its solvency on the date of execution of this AOD and on a
quarterly basis thereafter until such time that all payments due under Paragraphs 16
and 18 have been made. Lyft may comply with this Paragraph by continuing to file
with the U.S. Securities Exchange Commission its Annual Reports on Form 10-K
and Quarterly Reports on Form 10-Q.
55. If within ninety-one (91) days of the Effective Date of this AOD or of any payment made under this AOD, Lyft commences a voluntary case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization, or relief of debtors, or a third party commences such a case on an involuntary basis which is not dismissed within sixty (60) days (a) seeking to have any order for relief of Lyft’s debts, or seeking to adjudicate Lyft as bankrupt or insolvent; or (b) seeking appointment of a receiver, trustee, custodian, or other similar official for Lyft or for all or any substantial part of its or their assets (collectively, “Bankruptcy Proceedings”), Lyft agrees as follows:

a. If Lyft (i) fails to make any of the payments required under Paragraph 16, after giving Lyft notice and the opportunity to cure pursuant to Paragraph 49, or (ii) Lyft’s obligations under this AOD are avoided for any reason, including, but not limited to, through the exercise of a trustee’s avoidance powers under the Bankruptcy Code, the release and discharge of any parties by the terms of this AOD (set forth in Paragraphs 38 and 39 above) shall no longer be effective.

b. If Lyft enters Bankruptcy Proceedings, Lyft agrees that they shall not plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or similar theories, to any such civil or administrative claims, actions, or proceedings that are brought by the OAG within 60 calendar days of written notification to Lyft that
the releases herein have been rescinded pursuant to this Paragraph, except to the extent such defenses were available on the Effective Date of this AOD, and may pursue its claim in the case, action, or proceeding referenced in the first clause of this Paragraph, as well as in any other case, action, or proceeding.

c. If Lyft fails to make any payment required under Paragraphs 16 or 18, and after giving Lyft notice and the opportunity to cure pursuant to Paragraph 49, the OAG may immediately deem the financial obligations and release of Lyft under this AOD terminated and the OAG may then seek judgment against Lyft in the State Court or Bankruptcy Proceedings, on liability and damages, to the extent allowed by the Bankruptcy Court, and dischargeability of its claims.

d. Lyft acknowledges that the assurances in this Paragraph are provided in exchange for valuable consideration provided in this AOD.

**Subsequent Proceedings**

56. Should the Parties not be able to resolve any issue or dispute that arises as described in Paragraphs 48 and 49, above, Lyft expressly agrees and acknowledges that the OAG may initiate a subsequent investigation, civil action, or proceeding to enforce this AOD or for violations of the AOD and agrees and acknowledges that in such event, for purposes of such investigation, action or proceeding:
a. In the event this AOD is voided or materially breached by Lyft, any statute of limitations or other time-related defenses are tolled from and after the effective date of this AOD;

b. the OAG may use statements, documents, or other materials produced or provided by Lyft in response to the subpoena in this Matter except for settlement communications; and

c. any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Lyft irrevocably and unconditionally waive any objection based upon personal jurisdiction, inconvenient forum, or venue.

57. If a court of competent jurisdiction determines that Lyft has violated the AOD, Lyft shall pay to the OAG the reasonable cost, if any, of obtaining such determination and of enforcing this AOD, including without limitation legal fees, expenses, and court costs.

**General Principles**

58. Unless a term limit for compliance is otherwise specified within this AOD, Lyft’s obligations under this AOD are enduring. Nothing in this AOD shall relieve Lyft of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

59. Unless otherwise specified herein, each party will bear its own costs, legal fees and expenses. Notwithstanding the foregoing, Lyft will bear the costs of
mediation and any further involvement of the mediators up to the execution of this AOD.

60. This AOD may not be amended except by an instrument in writing signed on behalf of the Parties to this AOD.

61. This AOD, and any related negotiations or proceedings, shall not constitute, and shall not be construed as, an admission of any wrongdoing, fault, or liability whatsoever by Lyft in the Matter or in any other proceeding.

62. In the event that any one or more of the provisions contained in this AOD shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this AOD.

63. Lyft acknowledges that it has entered this AOD freely and voluntarily and upon due deliberation with the advice of counsel.

64. This AOD shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

65. The AOD and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

66. All notices, reports, requests, and other communications to any party pursuant to this AOD shall be in writing and shall be directed as follows:
a. If to Lyft to: legalnotifications@lyft.com, with a copy to mingber@mayerbrown.com and aparasharami@mayerbrown.com.

b. If to OAG to: Karen Cacace. Labor Bureau, 28 Liberty Street, 15th Floor, New York, NY 10005, karen.cacace@ag.ny.gov or in their absence, the person holding the title of Bureau Chief, Labor Bureau.

Any changes in the person to whom communications should be specifically directed shall be made in writing in advance of the change.

67. This AOD may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, this AOD is executed by the parties hereto on November 1, 2023.

LETITIA JAMES  
ATTORNEY GENERAL  
STATE OF NEW YORK  
Karen Cacace  
Labor Bureau Chief  
Office of the New York Attorney General

LYFT, INC.  
Lindsay Llewellyn  
General Counsel  
Lyft, Inc.
APPENDIX A

Notice and Acknowledgement of Earnings
for Independent Contractor Drivers in New York
[Template]

1. Company Information

    Name: Lyft, Inc.
    Doing Business As (DBA) name: Lyft
    Physical Address: 185 Berry St Suite 400, San Francisco, CA 94107
    Mailing Address: 185 Berry St Suite 400, San Francisco, CA 94107
    Customer Service Number: [to be inserted]

2. Earnings

Your earnings consist of the Driver Fare and additional payments (if applicable), as described in more detail below in this paragraph and as outlined in the Driver Addendum.

Driver Fare

You earn a Driver Fare for each completed trip. Driver Fare will consist of either:

1. Base fare or pickup fare amount, plus incremental amounts based on the actual time and distance of the ride as measured by Lyft. The applicable base fare and/or pickup fare amount(s) and cost per mile and minute are based on location of the trip. The Rate Card displayed on your Driver dashboard will list the base fare or pickup amount, and the cost per mile and minute.

2. Upfront Driver Fare, which will be quoted to you before you accept the ride request. The Upfront Driver Fare is calculated using several factors, including estimated time and distance, pick up time and distance, demand for riders in your market, and other real-time market conditions. You will be paid the Upfront Driver Fare; however, this amount may be adjusted, at Lyft’s discretion, if there are significant changes to the trip. Additional details about Upfront Driver Fare can be found here.

Additional Payments

If applicable, you may also earn additional payment(s), including, but not limited to:

1. Tips provided by a rider to you
2. Cancellation fees
3. Any fees or surcharges that we collect on your behalf, such as tolls, damage fees, and wait time fees
4. Any bonuses or incentives you earn based on your provision of rideshare services

Lyft collects from riders applicable New York sales tax, applicable Black Car Fund surcharges, airport fees, and any state or local fees, surcharges, or taxes that Lyft is required by law or agreement to collect and remit to third parties. These items are not deducted from your earnings.

Minimum Earnings Guarantee

1. **New York City Drivers:** For each trip originating within NYC, you will be paid at least the minimum per-trip amount required by the [NYC Taxi and Limousine Commission’s Minimum Driver Pay Rules](https://www.nyc.gov/html/tlc/html/licenses/minimum_driver_pay_rules.shtml). You may view the pay rates [here](https://www.nyc.gov/html/tlc/html/licenses/minimum_driver_pay_rules.shtml).

2. **Non-New York City Drivers:** For trips originating within NY State that are not covered by the [NYC Taxi and Limousine Commission’s Minimum Driver Pay Rules](https://www.nyc.gov/html/tlc/html/licenses/minimum_driver_pay_rules.shtml), Lyft will ensure that your earnings (not including earnings for tips and tolls) will amount to at least $26.00 per hour (this minimum amount will be adjusted annually for inflation) for engaged time during each 14 day earnings period. Engaged time is defined to include (i) the time between accepting a rider’s requested trip and reaching the rider’s requested pick-up destination and waiting for the rider at the requested pick-up destination and (ii) the time spent transporting the rider to the requested drop-off destination. If your earnings are less than $26 per hour during the 14 day earnings period, you will be paid the difference between what you earned and what amounts to $26 per hour for the cumulative engaged time.

3. **Lyft Fees**

Riders pay an amount to you that includes Lyft’s fees, consisting of a Service Fee and a Platform Fee (collectively, “Lyft’s Fees”), as described below. Lyft will collect payments owed to you by riders as your limited collection agent, and will remit the rider payment to you net of Lyft’s Fees.

1. **Service Fee:** set amount for each ride as set forth in your [Rate Card](https://www.lyft.com/райткар) at the time of the ride.

2. **Platform Fee:** a variable amount equaling the rider payment minus: (i) the Driver Fare, (ii) any tolls or surcharges we collect for remittance to you, (iii) the Service Fee, (iv) any Third Party Fees that Lyft collects, and (v) bonuses or incentives you earn based on your provision of Rideshare Services.

4. **Earnings Access:**

You will be automatically paid on a weekly basis via the payment method elected by you. You may also elect to be paid out more frequently. There will be no fees or charges associated with your payout. A weekly earnings statement will be available to you.

You may change your payment preferences [here](https://www.lyft.com/preferences).

5. **Driver Acknowledgement:**

I have received this notice of earnings.
Check:
☐ I have been given this earnings notice in English, and English is my primary language.

☐ My primary language is [select from available drop down menu]. I have been given this earnings notice in English only, because this earnings notice form is not presently available in my primary language.

By clicking, "I acknowledge", I acknowledge that I received this Notice, and that a copy of this Notice will be delivered to the email address associated with my driver account. This acknowledgment constitutes my e-signature.

[I ACKNOWLEDGE]