

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, ss.

**SUPERIOR COURT
C.A. NO. 2084CV01519-BLS1**

**ANDREA JOY CAMPBELL, in her official
capacity as ATTORNEY GENERAL for the
COMMONWEALTH OF MASSACHUSETTS,**

Plaintiff,

v.

**UBER TECHNOLOGIES, INC. and LYFT,
INC.,**

Defendants.

**SETTLEMENT AGREEMENT
BETWEEN THE ATTORNEY GENERAL AND
UBER TECHNOLOGIES, INC. AND LYFT, INC.**

Plaintiff, Attorney General Andrea Joy Campbell, in her official capacity as Attorney General for the Commonwealth of Massachusetts (“Attorney General”), has commenced the above-captioned action (“Action”) against Uber Technologies, Inc. (“Uber”) and Lyft, Inc. (“Lyft”) (Uber and Lyft together, “the Companies,” and each separately “the Company”) (the Companies and the Attorney General collectively, “the Parties”) seeking a declaratory judgment as to the proper classification of drivers in Massachusetts under G.L. c. 149, § 148B(a), for purposes of the Commonwealth’s Wage and Hour Laws, and injunctive relief.

The Attorney General and the Companies enter into this Settlement Agreement (“Settlement Agreement”) in order to resolve without further adjudication the Attorney General’s claim for declaratory judgment and injunctive relief, as stated in the Action, as well as all related claims that are released herein. For the avoidance of doubt, neither Uber nor Lyft shall be

responsible or liable for the other's compliance with the terms of the Settlement Agreement, nor shall any breach or alleged breach of the terms of the Settlement Agreement by one of the Companies be attributed to the other or constitute a breach by such other Company.

Background and Definitions

I. Background

1. On July 14, 2020, the Attorney General filed a complaint against the Companies in Massachusetts Suffolk Superior Court under the above captioned heading (2084CV01519-BLS1) seeking a declaration under G.L. c. 231A that drivers are employees under G.L. c. 149, § 148B(a) for purposes of the Commonwealth's Wage and Hour Laws.

2. The Companies operate in Massachusetts businesses that connect riders in need of transportation with drivers who provide rides. These rides are facilitated through the Companies' respective mobile phone and internet applications ("the Driver Apps").

3. Through the Companies' respective Driver Apps, a Driver picks a rider up at Point A and transports the rider to Point B, the rider's destination.

4. The Companies do not guarantee Drivers will make minimum wage, do not reimburse Drivers for business expenses they incur arising from providing rides on their Driver Apps, do not pay Drivers for their time spent while waiting or driving between rides, and do not offer Drivers one hour of earned sick time for every thirty hours worked by the Driver.

5. The Companies do not require Drivers to log on to their respective Driver Apps at any time, or for any length or time, and do not require Drivers to perform any offered ride, and maintain that they have, at all times, classified Drivers as independent contractors.

6. On April 30, 2024, the Parties submitted Pre-Trial Proposed Findings of Fact and Conclusions of Law in advance of trial.

7. A bench trial was held on this matter from May 13 through June 3, 2024.

8. On June 24, 2024, the Parties submitted Post-Trial Proposed Findings of Fact and Conclusions of Law.

9. The Parties agree to resolve this Action and the matters released as provided herein through this Settlement Agreement.

II. Definitions

10. “Attorney General” shall mean Andrea Joy Campbell, in her official capacity as Attorney General of the Commonwealth of Massachusetts.

11. “Driver” shall mean an individual who completes, has completed, or will complete an Eligible Trip (a) as to Uber, through the Uber Driver App; or (b) as to Lyft, through the Lyft Driver App. However, the term “Driver” includes only Drivers involved in the Companies’ respective ridesharing business segments and does not include drivers participating in any other business segments the Companies may have, such as Uber Eats and Uber Freight.

12. “Earnings” shall mean all amounts, including base earnings, incentives, and bonuses, remitted to a Driver via a Company’s Driver App; however, Earnings do not include (a) any service fees or similar fees that Uber or Lyft charges to the Driver; (b) any toll fees, cleaning fees, airport fees, other rider pass-throughs, or other fees paid by Uber or Lyft; and (c) Tips.

13. “Earnings Floor Minimum Pay” shall be the minimum amount a Driver shall earn for Engaged Time, excluding any Tips provided by riders.

14. “Earnings Period” shall be a period, set individually by Uber or Lyft, and not to exceed 14 days, consistent with the requirements of G.L. c. 149, § 148.

15. “Effective Date” shall be July 2, 2024, or upon execution of the Settlement Agreement, whichever is later.

16. “Eligible Trips” shall be any rideshare trip by a Driver originating within the Commonwealth of Massachusetts.

17. “Engaged Time” shall mean the total of P2 Time and P3 Time on a Company Driver App.

18. “Massachusetts Wage and Hour Laws” shall mean G.L. c. 149, §§ 1 *et. seq.* and G.L. c. 151, §§ 1 *et. seq.*, as well as the associated regulations and guidance.

19. “Net Earnings” shall mean all Earnings received by a Driver in an Earnings Period.

20. “P2 Time” shall be the time between when a Driver commenced driving to pick up a rider after accepting a rider’s requested trip in the respective 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 shall not include (1) any time spent driving after the Driver has been notified that the request has been canceled by the rider; or (2) any time spent driving where the Driver abandons the trip prior to completion.

21. “P3 Time” shall be the time the Driver spent transporting a rider to the requested drop-off destination.

22. “Qualifying Health Plan” shall be a health insurance plan in which a Driver is the subscriber, that is not paid for in full or in part by any current or former employer, and that is not a Medicare or Medicaid plan.

23. “Tips” shall have the same meaning as G.L. c. 149, § 152A.

Prospective Relief

III. Implementation of Prospective Relief

24. Unless this Settlement Agreement specifically provides a different timeframe, Uber and Lyft will implement all provisions of the Prospective Relief in Paragraphs 24-63 of this Settlement Agreement upon the Effective Date. The Attorney General acknowledges that the Companies require a certain amount of lead time to design and implement programs and processes that are new to their platforms. The Companies may request additional time for compliance if they

make a showing, to the Attorney General's satisfaction, that more time is required and so long as the benefits to Drivers provided in this Settlement Agreement accrue from the date specified herein. Additional time for compliance shall not be unreasonably withheld.

IV. Minimum Driver Pay

25. Minimum Driver Pay. Notwithstanding the Effective Date, starting on or before August 15, 2024, the respective Companies shall ensure that for each Earnings Period, all Drivers receive no less than the Earnings Floor Minimum Pay as set forth in this section. This Settlement Agreement in no way prohibits the Companies from remitting to Drivers Earnings above the Earnings Floor Minimum Pay.

26. Earnings Floor Minimum Pay. The Earnings Floor Minimum Pay shall be set at Thirty-Two Dollars and Fifty Cents (\$32.50) per hour for a Driver's P2 Time and P3 Time. The Earnings Floor Minimum Pay shall also be increased periodically as provided in Paragraph 27.

27. Increases to the Earnings Floor Minimum Pay. The Earnings Floor Minimum Pay will be increased as follows:

- a. On or before January 15 each year, beginning January 15, 2025, the Earnings Floor Minimum Pay shall be increased annually using the lower of: (i) a three (3) percent annual rate; or (ii) the average inflation rate for the preceding twelve (12) months as reflected in the U.S. Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI-W") for the Northeast Region.
- b. In the event of an increase in state minimum wage as set forth in G.L. c. 151 § 1, the Earnings Floor Minimum Pay shall be adjusted to account for any percentage change in the state minimum wage that exceeds the percentage increase in the Earnings Floor Minimum Pay made under subparagraph (a)

over the same time period. Parties shall meet and confer, no later than 90 days prior to the effective date of any such increase, or as soon as practical, to assess any applicable increase.

- c. No later than forty-five (45) days before the Earnings Floor Minimum Pay change is effective, the Companies may consult with the Attorney General about the increase to the Earnings Floor Minimum Pay applicable under this paragraph.

28. For each Earnings Period, each Company will compare the Driver's Net Earnings against the Earnings Floor Minimum Pay for the Driver during the Earnings Period. In the event that the Driver's Net Earnings in the Earnings Period are less than the Earnings Floor Minimum Pay for that Earnings Period, the Company shall pay the Driver the difference between the Driver's Net Earnings and the Earnings Floor Minimum Pay, no later than during the next Earnings Period.

29. Disputes About Minimum Driver Pay. In the event that a Driver asserts not to have received from a Company at least the Earnings Floor Minimum Pay as provided by the Settlement Agreement, a Driver may seek additional compensation from that Company. Upon request by the Driver, the respective Company shall review the Earnings of such Driver, and the Company shall, if a discrepancy is identified, ensure that the Driver receives at least the Earnings Floor Minimum Pay as provided in this Settlement Agreement. Neither Company will challenge any assertions by Drivers that they are entitled to the Earnings Floor Minimum Pay so long as the Drivers are only seeking the Earnings Floor Minimum Pay provided for by this Settlement Agreement. Notwithstanding the foregoing, the Companies reserve the right to dispute the amount of payment asserted by a Driver to be due pursuant to this Settlement Agreement.

V. Paid Sick Leave

30. On or before November 1, 2024, the Companies shall provide to Drivers who complete Eligible Trips, paid sick leave in accordance with the terms of Paragraphs 30-39.

31. Drivers shall be entitled to use paid sick leave for any reason permitted by G.L. c. 149, § 148C.

32. The Companies shall ensure that Drivers accrue paid sick leave at a rate of one (1) hour of sick pay for every thirty (30) hours of Engaged Time logged on that Company's Driver App (up to a maximum of forty (40) hours per year). Drivers shall be entitled to first use accrued paid sick time upon recording ninety (90) hours of Engaged Time on the Company's Driver App. From that day forward, a Driver may use sick time as it accrues. A contract between a Company and a Driver may require the Driver to use accrued paid sick time in increments of up to one (1) hour.

33. Drivers may carry over up to forty (40) hours of accrued but unused paid sick time to the next calendar year but are not entitled to use more than forty (40) hours in one calendar year. The Companies shall not be required to pay out any accrued but unused paid sick time. If a Driver does not record any Engaged Time in a Company's Driver App for three-hundred sixty five (365) or more consecutive days or the Driver's contract with a Company is terminated, any unused paid sick time accrued up to that point with that Company shall be forfeited.

34. The Companies shall compensate a Driver for each hour of paid sick leave at a rate of Twenty Dollars (\$20) per hour, to be adjusted in the same manner as the Earnings Floor Minimum Pay amount, pursuant to paragraph 27.

35. Neither Company will challenge any request by a Driver for paid sick leave on the basis that the Driver is an independent contractor, so long as the Driver is only seeking the paid sick leave provided by this Settlement Agreement, and the Driver is seeking to use the paid sick

leave for the permissible reasons set forth in G.L. c. 149, § 148C. Notwithstanding the foregoing, the Companies reserve the right to dispute the amount of paid sick leave claimed by a Driver under this Settlement Agreement.

36. Consistent with G.L. c. 149, § 148C, neither Company may ask for information about the illness or the details of any domestic violence. However, each Company may: require a Driver to fill out a form stating that they are using sick time for a covered purpose; and, request that a Driver seeking to use accrued sick time for more than three (3) consecutive days submit a doctor's note or other similar documentation.

37. The Companies shall modify their respective Driver Apps to allow Drivers to see the accrual of their paid sick leave.

38. The Companies shall modify their respective Driver Apps to allow Drivers to request paid sick leave through the Driver App.

39. On or before thirty (30) days after the Effective Date, the respective Companies shall present a draft mock-up or explanation of the applicable changes to the Driver Apps to the Attorney General, and within thirty (30) days thereafter, the Attorney General may propose any adjustments it believes are required, which the Companies will consider and implement to the extent reasonably practicable.

VI. Occupational Accident Insurance

40. On or before October 1, 2024 each Company shall obtain occupational accident insurance for all Drivers on its Driver App, consistent with the following:

- a. For the purposes of this section, the following words shall have the following meanings:
 - i. "Average Weekly Earnings", the Driver's total Earnings from all activity on the respective Companies' Driver Apps during the

eighty-four (84) days prior to the accident divided by the number of weeks a Driver had Earnings during that eighty-four (84) day period.

- ii. “Online”, the time when a Driver is utilizing a Company’s Driver App and can receive requests for rides from the Company or during Engaged Time.
 - iii. “Maximum Weekly Compensation Rate”, has the same meaning as provided in section 1 of chapter 152 of the Massachusetts General Laws.
 - iv. “Minimum Weekly Compensation Rate”, has the same meaning as provided in section 1 of chapter 152 of the Massachusetts General Laws.
- b. Each Company shall file with the Division of Insurance, no later than thirty (30) days after the commencement of a new policy each year, a copy of the policy it has obtained for Drivers. The Division of Insurance shall be treated by the insurer as a certificate holder for purposes of receiving notice of cancellation of the policy.
- c. The occupational accident insurance policy required under subsection (b) shall cover medical expenses and lost income resulting from injuries suffered while the Driver is Online with a Company’s Driver App. Policies shall at a minimum include a total combined single limit of One Million Dollars (\$1,000,000) per accident and provide for payment of benefits to a covered individual as follows:

- i. Coverage for medical expenses incurred, up to at least One Million Dollars (\$1,000,000) and for up to 156 weeks following the injury;
- ii. Continuous total disability payments, temporary total disability payments, and partial disability payments for injuries that occur while the Driver is Online equal to 66% of the Driver's Average Weekly Earnings as of the date of injury but not more than the Maximum Weekly Compensation rate, unless the Average Weekly Earnings of the Driver is less than the Minimum Weekly Compensation rate, in which case the weekly compensation shall be equal to the Driver's Average Weekly Earnings. Payments under this paragraph shall be made for up to the first one hundred fifty six (156) weeks following the injury.
- iii. For the benefit of spouses, children, or other dependents of Drivers, accidental death insurance in the amount equal to 66 % of the Driver's Average Weekly Earnings as of the date of injury but not more than the Maximum Weekly Compensation rate, unless the Average Weekly Earnings of the Driver is less than the Minimum Weekly Compensation rate, in which case the weekly compensation shall be equal to the Driver's Average Weekly Earnings, times one hundred fifty six (156) weeks for injuries suffered by an Driver while the Driver is Online with the Company's Driver App that result in death; and

iv. When injuries suffered by a Driver while the Driver is Online result in death, an amount to pay for reasonable burial expenses not to exceed eight (8) times the Maximum Weekly Compensation rate.

d. Occupational accident insurance under subsection (c) of this section shall not be required to cover an accident that occurs while Online but outside of Engaged Time where the injured Driver is in Engaged Time on the other Company Driver App, or where the Driver is engaged solely in personal activities which render the Driver unavailable to accept a ride. If an accident is covered by occupational accident insurance maintained by more than one of the Companies, the insurer of the Company against whom a claim is filed is entitled to contribution for the pro-rata share of coverage attributable to one or more other Companies up to the coverages and limits in subsection (c) of this Paragraph.

41. Any benefits provided to a Driver under this section shall be considered amounts payable under a workers' compensation law or disability benefit for the purpose of determining amounts payable under any insurance provided under section 113L of chapter 175 of the Massachusetts General Laws or for personal injury protection, as defined in section 34A of chapter 90 of the Massachusetts General Laws.

42. The Companies shall not charge or otherwise deduct payments for occupational accident insurance from Drivers' Earnings.

VII. Portable Health Fund

43. The Companies shall, by March 1, 2025, provide a Portable Health Fund, to be administered by a neutral third-party administrator ("the Health Stipend Administrator") to be chosen by the Companies. The Health Stipend Administrator will determine Drivers' eligibility

based on pooled data to be provided by Uber and Lyft quarterly, of each Driver's combined Engaged Time driving for Uber and Lyft.

44. The Companies will ensure that the Health Stipend Administrator will receive information about Drivers that is sufficient to allow the Health Stipend Administrator to accurately pool Drivers' Engaged Time across the two Company Driver Apps, in a process that will be finalized before the launch of the fund.

45. Drivers who average at least fifteen (15) hours of combined Engaged Time per week in a quarter will be eligible for a quarterly cash stipend from the Portable Health Fund equal to 50% of the average contribution required for the lowest tier healthcare plan on the Mass Connector Affordable Care Act exchange.

46. Drivers who average at least twenty-five (25) hours of combined Engaged Time per week in a quarter will be eligible for a quarterly cash stipend from the Portable Health Fund equal to 100% of the average contribution required for the lowest tier healthcare plan on the Mass Connector Affordable Care Act exchange.

47. Proof of Enrollment.

- a. As a condition of providing the health stipend in the first quarter for which a Driver is eligible, the Health Stipend Administrator may require that a Driver submit either a statement of intent to enroll in a Qualifying Health Plan or proof of current enrollment in a Qualifying Health Plan as of the last day of the quarter for which the stipend would be provided. The Health Stipend Administrator may require that statement of intent or proof of current enrollment be submitted within thirty (30) days after the end of the quarter for which the stipend would be provided. Proof of current

enrollment may include, but is not limited to, health insurance membership or identification cards, evidence of coverage and disclosure forms from the health plan, or claim forms and other documents necessary to submit claims.

- b. For a qualifying Driver who submits a statement of intent to enroll rather than proof of enrollment, the Health Stipend Administrator shall remit to the Driver the applicable stipend. Within thirty (30) days after the remittance, the Driver shall substantiate the intent to enroll with proof of enrollment in a Qualifying Health Plan as permitted in subparagraph (a).
- c. For a Driver who fails to provide proof of enrollment after submitting an intent to enroll as provided in subparagraph (b), the Health Stipend Administrator may offset any amount remitted to the driver under subparagraph (b) against stipends remitted thereafter. The Health Stipend Administrator may, in his or her discretion, deem a driver permanently ineligible for future stipends in the case of abuse or fraud. A Company may deactivate a Driver's access to the Company's Driver App in any case where a Driver has defrauded or attempted to defraud the portable health fund.
- d. Should the Stipend Administrator or either of the Companies identify evidence of widespread fraud or abuse related to the Health Stipend program, the Parties will meet and confer to determine whether changes to this Section are appropriate.

48. After the first quarter for which a Driver qualifies for and receives a health care stipend, the Health Stipend Administrator must renew a health stipend for any subsequent quarter in which a Driver qualifies, but may require proof of continued enrollment on an annual basis, so

long as Drivers have adequate notice that such documentation is required for them to continue to receive the stipend.

49. The Health Stipend Administrator must provide the stipend within fifteen (15) days after a Driver has qualified or within fifteen (15) days after the Driver submits the proof of enrollment or statement of intent to enroll as required under Paragraph 47.

50. At the end of each Earnings Period, each Company shall provide to each Driver the following information:

- a. The total number of hours of Engaged Time the Driver recorded in the Company's Driver App during that Earnings Period.
- b. The number of hours of Engaged Time the Driver has recorded in the Company's Driver App during the current quarter up to that point.
- c. On or before thirty (30) days after the Effective Date, the respective Companies shall present an exemplar of the way that the information provided to Drivers in subparagraphs (a) and (b), above, is displayed. Within thirty (30) days thereafter, the Attorney General may propose any adjustments it believes are required, which the Companies will consider and implement to the extent reasonably practicable.

VIII. Other Benefits and Protections

51. Timely Payment of Earnings. The Companies shall remit to Drivers their Earnings no less frequently than as required by Massachusetts' timely pay law, G.L. c. 149, § 148. For example:

- a. The respective Companies will remit to Drivers their Earnings at least weekly or bi-weekly, and no later than six (6) days after the end of the relevant weekly or bi-weekly period;

- b. If a Company deactivates a Driver from its Driver App, the Company shall remit to the Driver all unpaid Earnings through the day the Driver is deactivated, paid no later than the end of that Earnings Period.

52. Domestic Violence Leave Act. Neither Company will prohibit Drivers from taking time off consistent with the requirements of G.L. c. 149, § 52E.

53. Deactivation Appeals. The respective Companies shall establish an internal process for Drivers to appeal any decision by that Company to deactivate the Driver's access to the Company's Driver App. As part of the appeal process, the Company shall provide a written statement to the Driver explaining the decision to deactivate the Driver. Deactivation bases that are eligible for review through the appeal process include but are not limited to: cancellations, low ratings, dangerous driving, suspected impaired driving, interpersonal conflict, wrong vehicle, service animal denial, harassment, sexual misconduct, and trip fraud. Within sixty (60) days after the Effective Date, the Companies will provide the Attorney General with policies that reflect the Companies' respective deactivation appeals process as required by this Settlement Agreement.

54. Anti-Retaliation. The Companies agree that they will not in any manner retaliate against any individual seeking to perform rides on their respective Driver Apps, including but not limited to Drivers and former Drivers, on the basis that they have cooperated or are perceived to have cooperated with the Attorney General in this Action or have complained, sought payment, or sought other benefits under this Settlement Agreement or G.L. c. 149, 151, or 151B. The Companies agree not to deactivate, refuse to activate, or take any adverse action against any of these individuals except for reasons unrelated to the terms of this Settlement Agreement.

55. Anti-Discrimination. Neither Company shall engage in any discrimination against Drivers or prospective Drivers on the basis of protected characteristics against which employers are prohibited from discriminating pursuant to G.L. c. 151B.

56. Records of Driver Earnings. The Companies shall record and maintain for at least three (3) years true and accurate records of Driver Earnings, and make those records available to Drivers upon their request.

57. Personnel Records. The Companies shall establish policies consistent with the requirements of G. L. c. 149, § 52C, regarding the Company equivalent of personnel records for Drivers. On or before thirty (30) days after the Effective Date, the respective Companies shall present to the Attorney General exemplars of the account information available to Drivers in the Company's Driver App, and within thirty (30) days thereafter, the Attorney General may propose any adjustments it believes are required, which the Companies will consider and implement to the extent reasonably practicable.

58. Deductions and Kickbacks. Neither Company will make any involuntary deductions or require kickbacks from Driver Earnings, consistent with G.L. c. 149, § 148, G.L. c. 151, § 19, and 454 CMR 27.00. To effectuate this provision of the Settlement Agreement, the Companies will present to the Attorney General the current contract the respective Companies have with Drivers within thirty (30) days of the Effective Date, and within thirty (30) days thereafter, the Attorney General shall propose any adjustments it reasonably believes are required to comply with this provision of the Settlement Agreement, which adjustments the Companies will consider and implement to the extent reasonably practicable.

59. Tips. Consistent with G.L. c. 149, § 152A, the Companies may not keep any portion of Drivers' Tips, nor shall either Company claim a tip credit to meet its Earnings Floor Minimum Pay obligations.

60. Earnings Notification Document and Trip Information Statements. The respective Companies will provide the following:

- a. On or before December 15, 2024, the Companies will make available to each Driver in their respective Driver Apps information about (i) Driver Earnings and how Drivers can access their Earnings; (ii) the rights and benefits required herein, to include at a minimum information about the Minimum Earnings Floor, Paid Sick Leave, Occupational Accident Insurance, and the Portable Health Fund; and (iii) the rights and remedies available to a Driver for a Company's failure to provide the rights and benefits required herein. The Companies must provide notice to a Driver in writing or electronically of any changes to the information initially provided. On or before sixty (60) days after the Effective Date, the respective Companies shall present to the Attorney General exemplars of the information provided to Drivers, and within thirty (30) days thereafter, the Attorney General may propose any adjustments it believes are required, which the Companies will consider and implement to the extent reasonably practicable.
- b. On or before September 1, 2024, for Eligible Trips, when each of the respective Companies alert a Driver of a possible Eligible Trip, it must

indicate: (1) the estimated travel time and number of miles in P2 and P3, and (2) the estimated Earnings for the trip.

- c. On or before October 1, 2024, within 24 hours of the completion of an Eligible Trip, the respective Companies will provide an electronic statement (either via email or made available via display in their respective Driver Apps or the driver portal on the Companies' respective websites) to Drivers showing for the trip: the total amount of P2 and P3 time as defined in Paragraphs 20-21; the total mileage driven during P2 and P3 time as defined in Paragraph 20-21; the total Earnings payable to the Driver; and the amount the rider paid for the trip. The respective Companies shall maintain true and accurate copies of such records for at least three (3) years.
- d. To the extent this information has not been provided to a Driver via email and a Driver no longer has access to the Driver App or the Driver portal on the respective Companies' websites, the Companies shall provide such information to said Drivers in a reasonably timely fashion via email or other means upon reasonable requests by such Drivers, with respect to trips that occurred after the Effective Date and within three (3) years of the date of the trip.

61. Paid Family Medical Leave. The respective Companies shall pay half the independent contractor rate for Paid Family Medical Leave (currently 0.44% of Earnings, excluding tips), to every Driver, on a basis at least quarterly, without requiring Drivers to opt-in to the state Paid Family Medical Leave program. Accrual shall begin on the first day of the first full quarter after the Effective Date, with payment to be made no later than thirty (30) days following

the end of the quarter, and no later than thirty (30) days following the end of every quarter thereafter.

62. In-App Chat Support. On or before one (1) year after the Effective Date, the Companies shall offer in-App chat support for Drivers in English, Spanish, French, and Portuguese. The Companies will provide Drivers with the opportunity to chat with live personnel through their respective Driver Apps, and those personnel will be trained to have reasonable familiarity with relevant policies and on appropriate and accurate information to convey to Drivers.

63. Obligations Under This Section. The procedures set forth in this Section (“Other Benefits and Protections”, Paragraphs 51-63), and implementation of any changes that are determined to be necessary as a result of them, shall encompass the full extent of the Companies’ respective obligations to comply with this Section of the Settlement Agreement.

Retrospective Relief

IX. Financial Terms and Administration

64. Lyft Monetary Payment:

- a. Lyft shall pay Twenty-Seven Million Dollars (\$27,000,000) (the “Lyft Monetary Payment”) to the Attorney General on or before January 1, 2025.
- b. Payment of the Lyft Monetary Payment must be in the form of an electronic (ACH) or wire transfer, and proof of payment should be forwarded to the Attorney General’s Office to the attention of: Lauren Moran, Chief, Office of the Attorney General Fair Labor Division, lauren.moran@mass.gov.
- c. At least fifteen (15) days before the payment is due (or upon earlier request by Lyft), the Attorney General will provide to Lyft sufficiently detailed instructions for the ACH or wire transfer.

- d. At her sole discretion, the Attorney General may use or distribute the Lyft Monetary Payment in any amount, allocation or apportionment and for any purpose permitted by law, including but not limited to: (i) payments to the General Fund of the Commonwealth of Massachusetts, (ii) payments for programs or initiatives in furtherance of the protection of the people of the Commonwealth or for the enforcement and education of the Massachusetts Wage and Hour Laws, and (iii) a program of distributions to be made to Massachusetts drivers who have provided rides through the Lyft platform from the date the Action was filed (July 14, 2020) through the Effective Date (“Lyft Restitution Payment”); provided however, that no less than Twenty One Million Six Hundred Thousand Dollars (\$21,600,000) of the Lyft Settlement Amount shall be allocated as the Lyft Restitution Payment.
- e. For avoidance of doubt, Lyft shall have no right to direct, nor any responsibility as to the use or allocation of, the Lyft Monetary Payment by the Attorney General.

65. Uber Monetary Payment:

- a. Uber shall pay One Hundred and Forty-Eight Million Dollars (\$148,000,000) (the “Uber Monetary Payment”) to the Attorney General on or before January 1, 2025.
- b. Payment of the Uber Monetary Payment must be in the form of an electronic (ACH) or wire transfer, and proof of payment should be forwarded to the

Attorney General's Office to the attention of: Lauren Moran, Chief, Office of the Attorney General Fair Labor Division, lauren.moran@mass.gov.

- c. At least fifteen (15) days before the payment is due (or upon earlier request by Uber), the Attorney General will provide to Uber sufficiently detailed instructions for the ACH or wire transfer.
- d. At her sole discretion, the Attorney General may use or distribute the Uber Monetary Payment in any amount, allocation or apportionment and for any purpose permitted by law, including but not limited to: (i) payments to the General Fund of the Commonwealth of Massachusetts, (ii) payments for programs or initiatives in furtherance of the protection of the people of the Commonwealth or for the enforcement and education of the Massachusetts Wage and Hour Laws, and (iii) a program of distributions to be made to Massachusetts drivers who have provided rides through the Uber platform from the date the Action was filed (July 14, 2020) through the Effective Date ("Uber Restitution Payment"); provided however, that no less than One Hundred Eighteen Million, Four Hundred Thousand Dollars (\$118,400,000) of the Uber Settlement Amount shall be allocated as the Uber Restitution Payment.
- e. For avoidance of doubt, Uber shall have no right to direct, nor any responsibility as to the use or allocation of, the Uber Monetary Payment by the Attorney General.

66. Settlement Administration:

- a. The costs associated with administration of the settlement shall be paid out of the Uber and Lyft Monetary Payments. The Settlement Administrator will be chosen by the Attorney General, at her sole discretion.
- b. The Lyft Restitution Payment will go to a fund for the benefit of Drivers who completed at least one trip using the Lyft App between July 14, 2020 and the Effective Date (“Lyft Eligible Drivers”), which shall be administered by the Settlement Administrator that will make disbursements to Eligible Drivers (“Lyft Driver Payments”).
- c. The Uber Restitution Payment will go to a fund for the benefit of Drivers who completed at least one trip using the Uber App between July 14, 2020 and the Effective Date (“Uber Eligible Drivers”), which shall be administered by the Settlement Administrator that will make disbursements to Eligible Drivers (“Uber Driver Payments”).
- d. The Attorney General has the sole discretion to reasonably determine which Drivers shall be eligible for Lyft and Uber Driver Payments and to determine the amount of the Lyft and Uber Driver Payment, including the amounts and Driver recipients of any additional distributions of the Uber and Lyft Monetary Payments. The Attorney General, at her sole discretion, shall provide the Settlement Administrator instructions for calculating Restitution Payments.
- e. At no time shall any monies from the Monetary Payments revert to the Companies.

- f. The Companies shall cooperate with the Attorney General and Settlement Administrator, and shall provide to the Attorney General and the Settlement Administrator, within a reasonable timeframe following written requests from the Attorney General and/or the Settlement Administrator, information needed to facilitate the payments to Eligible Drivers, including providing for each Eligible Driver:
 - i. the name of the Driver;
 - ii. a version of the Companies' respective unique identification numbers that prevents other private data about Drivers from being disclosed;
 - iii. a Department of Public Utilities Background Check Clearance ID;
 - iv. the total number of hours and miles each Driver drove providing trips using the Companies' respective Driver Apps, by year, based on the Driver's Engaged Time;
 - v. the amount each Driver earned per year while driving on the respective Company's Driver App.
- g. The Companies shall provide to the Settlement Administrator, pursuant to confidentiality and privacy terms, Drivers':
 - i. last known address;
 - ii. last known telephone number;
 - iii. last-known email address; and
 - iv. social security number (to the extent known)

- h. The Companies shall post on their respective websites contact information for the Attorney General and Settlement Administrator upon reasonable request from the Attorney General and the Companies will direct Drivers who inquire about Driver Payments to the Settlement Administrator.
- i. The Companies shall cooperate with the Attorney General and the Settlement Administrator by providing to the Attorney General and Settlement Administrator, within a reasonable timeframe following written request from the Attorney General and/or the Settlement Administrator, information reasonably available to the Companies from their respective records needed to facilitate Restitution Payments to Drivers, including but not limited to information contained in Paragraph 66(g).
- j. Prior to the Companies providing any of the Driver information referenced in Paragraph 66(g), the Attorney General and the Settlement Administrator will execute a confidentiality agreement (to be negotiated between the Attorney General and the Companies) that, among other things, to the extent permitted by applicable law: prohibits the use of the Driver information provided by the Companies for any purpose other than facilitating payments to Drivers; exempts the information from disclosure under G.L. c. 66, § 10 and, at minimum, G.L. c. 4, § 7, clauses 26(d), (f), and (g); and prohibits sharing that information with any other third parties (including any federal, state, or local government entities).
- k. If a Driver to whom a distribution under this paragraph was made does not actually receive payment of the distribution for any reason, then the

Administrator shall turn over the unclaimed Restitution Payment to the Commonwealth's Treasurer as unclaimed property in the name of the Driver, in accordance with Massachusetts Unclaimed Property Law (G.L. c. 200A).

Other Terms

X. Reporting and Compliance

67. Reporting and Compliance. The Companies shall undertake the following obligations set forth in this section for reporting and compliance with the terms of this Settlement Agreement.

68. Compliance Audit. Within one hundred eighty (180) days of the Effective Date and then annually thereafter, the respective Companies shall perform an audit regarding their respective obligations set forth in Paragraphs 24 to 63 of the Settlement Agreement (hereafter "Compliance Audit") sufficient to provide information as required in the Affidavit of Compliance below.

69. Affidavit of Compliance. Within ninety (90) days of completing the Compliance Audit, each Company shall provide to the Attorney General an affidavit affirming that each Company internally conducted a Compliance Audit and that the respective Company has implemented the obligations set forth in Paragraphs 24-63 of the Agreement (hereafter "Affidavit of Compliance"). The Affidavit of Compliance shall, at a minimum, describe each provision of the Settlement Agreement for which the Company performed the Compliance Audit, the methodology utilized by the Company to conduct the Compliance Audit, identification of what teams at the Company were involved in the Compliance Audit, what data was involved in the Compliance Audit, the findings of the Compliance Audit, and whether the Company made any changes based on the Compliance Audit. The Affidavit of Compliance shall be signed by a

Company representative with oversight authority over the Compliance Audit process and any changes made as a result. In addition to a description of the findings of the Compliance Audit, the findings section of the Affidavit of Compliance shall also include the following:

- a. For the Minimum Driver Pay as provided in Section IV of this Agreement:
 - 1) for Eligible Trips, the number of hours of P2 Time and P3 Time, 2) the number and percentage of Drivers who received Earnings of at least the Minimum Earnings Floor Pay, 3) the number and percentage of Drivers who received additional pay from the Company, pursuant to Paragraph 28 and, 4) the number and percentage of Drivers who did not receive Earnings of at least the Minimum Earnings Floor.
- b. For the Paid Sick Leave as provided in Section V of this Settlement Agreement: 1) the number of Paid Sick Leave hours accrued, and 2) the number of Paid Sick Leave hours used.
- c. For the Occupational Accident Insurance as provided in Section VI of this Settlement Agreement: 1) the number and percent of Drivers covered, 2) the number of Drivers who submitted a claim, 3) the number of Drivers whose claim was allowed, 4) the number of Drivers whose claim was denied, and 5) a copy of the insurance policy.
- d. For the Portable Health Fund as provided in Section VII of this Settlement Agreement, an annual affidavit from the Health Stipend Administrator describing: 1) for each quarter, the number of drivers who fully qualified for the health benefit, and 2) the number of those who received the health benefit.

70. The Affidavit of Compliance and any communications with or records provided to the Attorney General regarding the Compliance Audit shall be treated as highly confidential and not subject to disclosure under applicable public records laws (e.g., Massachusetts Public Records Laws and its Regulations, G.L. c. 66, G.L. c. 4, sec 7(26)), to the extent permissible under applicable law.

71. Complaint Handling Process. The following process shall be used by the Parties for Complaints by Drivers:

- a. Each Company shall designate a point of contact within its company to receive any complaints from Drivers referred by the Attorney General. Each Company shall provide the Attorney General the contact information for that point of contact, which the Attorney General shall not publicize.
- b. The Attorney General may send to a Company any complaints from Drivers about any provision of this Settlement Agreement.
- c. The Company must take steps to reasonably investigate the complaint; respond as soon as practicable and within no later than thirty (30) days; and notify the Attorney General of the response and any steps taken to resolve the complaint.
- d. Upon the request of the Attorney General, the Company shall produce to the Attorney General information related to the Company's resolution of such a complaint.
- e. Should the Attorney General raise concerns related to the resolution of a complaint by a Driver, as set forth in this Paragraph, the Parties shall meet and confer to determine whether the concerns can be resolved.

72. Documentation. If the Attorney General has a good faith basis to require additional information related to a Company's compliance with this Settlement Agreement, the Attorney General may request that the Company produce to the Attorney General any and all information reasonably related to the Compliance Audit, the Compliance Affidavit, Driver Complaint Handling Process, and any other material the Attorney General deems necessary to determine whether each Company is in full compliance with Paragraphs 67-71 of the Settlement Agreement, including, but not limited to, completely and continually performing any obligation set forth in this Settlement Agreement. The Companies shall produce any responsive information within sixty (60) days or a longer period if mutually agreed to by the Parties.

XI. Release from Claims

73. Backward-Looking Release. In consideration of the Lyft and Uber Monetary Payments, the Attorney General fully and finally releases, resolves, and discharges the Companies, their subsidiaries, affiliates, predecessors, successors, transferees, heirs, and assigns, and each of their respective current and former directors, officers, employees, and agents, individually and collectively, from any and all civil, criminal, or administrative liability, including but not limited to any and all fines, penalties, restitution, civil citations, injunctive, enforcement, and/or monetary relief under Massachusetts Wage and Hour Laws, arising from the Companies' past classification of Drivers as independent contractors under G.L. c. 149, § 148B(a) through and including the Effective Date. For the avoidance of doubt, the Attorney General will not commence against the Companies any civil, administrative, or criminal action seeking liability that has been released by this Backward-Looking Release.

74. Prospective Release. In consideration of the Lyft and Uber Monetary Payments and compliance with the Companies' other obligations under this Settlement Agreement, the Attorney General fully and finally releases, resolves, and discharges the Companies, their subsidiaries,

affiliates, predecessors, successors, transferees, heirs, and assigns, and each of their respective current and former directors, officers, employees, and agents, individually and collectively, from any and all civil, criminal, or administrative liability, including but not limited to any and all fines, penalties, restitution, civil citations, injunctive, enforcement, and/or monetary relief under Massachusetts Wage and Hour Laws arising from the Companies' prospective classification of Drivers as independent contractors under G.L. c. 149, § 148B(a) following the Effective Date. For the avoidance of doubt, the Prospective Release does not extend to, and the Attorney General is not releasing, liability arising after this Settlement Agreement ceases to be in effect (which termination shall not be deemed to have occurred absent a written agreement signed by the Parties or an order of a court of competent jurisdiction). For the further avoidance of doubt, the Attorney General will not commence against the Companies any civil, administrative, or criminal action seeking liability that has been released by this Prospective Release.

75. This Settlement Agreement represents a final settlement between the Parties and it shall not bind any private entity other than the Companies, or any other state government entity other than the Attorney General, including but not limited to the Executive Office of Labor and Workforce Development, the Department of Unemployment Assistance, and the Department of Industrial Accidents. Nor shall this Settlement Agreement bind any federal government entity. This provision shall not be construed to prevent the Attorney General from representing a state government entity in an action on behalf of that state government entity.

76. In the event this Settlement Agreement is found by a court of competent jurisdiction to be voided or materially breached by a Company (following any opportunity to cure as set forth in this Settlement Agreement), any statute of limitations, doctrine of laches or other time-related defense shall be tolled as to any subsequent enforcement action arising out of that Company's

breach of this Settlement Agreement, from the Effective Date to the date of any subsequent enforcement action.

77. The terms of this Settlement Agreement shall not be subject to appeal in any forum.

78. Nothing in this Settlement Agreement shall constitute an admission of wrongdoing or finding of liability as to Uber, Lyft, or any other party, and nothing in this Settlement Agreement shall be construed or interpreted to establish whether or not the Companies employ Drivers, that Drivers are employees of the Companies, or that the Companies are subject to Massachusetts laws and regulations that apply only to employers.

79. This Settlement Agreement shall not be admissible in any other proceeding as evidence of wrongdoing by the Companies or a concession of responsibility by the Companies, except as necessary for the Attorney General to enforce the terms of this Settlement Agreement.

80. This release contemplates, and does not preclude the Attorney General from bringing, an action to enforce the terms of this Settlement Agreement in the event of either of the Companies' noncompliance (subject to the notice and cure periods set forth in Paragraphs 88-89).

XII. Material Change in the Law

81. The Companies and the Attorney General agree to comply with the Settlement Agreement for as long as the Settlement Agreement is in effect notwithstanding the enactment of any law, including any enactment by popular initiative pursuant to Article 48 of the Articles of Amendment of the Massachusetts Constitution, unless such compliance would require either the Companies or the Attorney General to violate the law, in which case the Parties shall meet and confer about the matter consistent with the terms of this Settlement Agreement.

82. Upon the Effective Date, the Companies will cease participation in any funding or support for the proposed 2024 Massachusetts ballot initiative petitions numbered 23-25, 23-29,

23-30, 23-31, and 23-32. The Companies may pay out debts incurred and owing in this regard as of the Effective Date.

83. Nothing in this Settlement Agreement shall prohibit Uber or Lyft from challenging any new or amended laws or regulations related to the issues addressed in this Settlement Agreement, including but not limited to the classification of Drivers. Further, nothing in this Settlement Agreement shall be construed as a waiver by Uber or Lyft of their right to raise any other arguments or defenses in the future related to the issues addressed in this Settlement Agreement in any future claims that are unrelated to compliance with this Settlement Agreement.

84. If any of the Parties believes there is a material change in the law applicable to Drivers that calls into question the continued relevance or sufficiency of the prospective relief in Paragraphs 24-63, or the Attorney General believes there is a material change in the Companies' business practices that renders the prospective relief in Paragraphs 24-63 insufficient, the Parties will meet and confer with a mediator, selected by agreement of the Parties, and make a good faith attempt to reach a resolution.

85. If there is such a material change in the law that calls into question the continued relevance or sufficiency of the prospective relief in Paragraphs 24-63, unless otherwise required by the law, the Attorney General shall not seek to hold the Companies liable retroactively for any Liability based upon Released Claims arising prior to the material change in the law. This provision shall not apply in the instance where a Company has materially breached the Settlement Agreement.

86. If there is a material change in the Companies' respective business practices that calls into question the continued relevance or sufficiency of the prospective relief in Paragraphs 24-63, in no event will the Attorney General seek to hold the Companies liable retroactively for

any Liability based upon Released Claims arising prior to the material change. This provision shall not apply in the instance where a Company has materially breached the Settlement Agreement.

87. 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 24-63 of the Settlement Agreement.

XIII. Disputes Regarding Settlement Agreement

88. If the Attorney General has a good faith basis to believe that either Company has defaulted in the performance of any obligation under this Settlement Agreement, the Attorney General shall provide the Company written notice of the specific reasons why it believes that the Company has failed to perform on the Settlement Agreement and refer to the specific provision or provisions of the Agreement. Within 30 days of receipt of this notice, the Company shall respond to the Attorney General in writing.

89. If, based on the Company's response, the Attorney General alleges default in the performance of any obligation, the Attorney General shall give the allegedly defaulting Company written notice of such default via first class mail and e-mail as indicated in Paragraph 102, which shall be effective three (3) days from the mailing of first-class mail, after which such Company shall have 60 days to cure such default. Upon request from the Company, the Attorney General may extend the cure period, and a single, additional 60-day extension shall not be unreasonably withheld.

90. In the event the Parties are unable to resolve the dispute, the Parties agree to utilize the assistance of mediator(s), to be mutually agreed on, to facilitate resolution. The Company shall bear the cost of any such assistance of the mediator(s).

91. Subsequent Proceedings: Should the Parties be unable to resolve any issue or dispute that arises as described in Paragraph 88-90 above, the Companies expressly agree and

acknowledge that the Attorney General may initiate a civil action to enforce this Settlement Agreement or for material breach of the Settlement Agreement and agree and acknowledge that for purposes of such action:

- a. In the event this Settlement Agreement is found to be voided or materially breached by one or both of the Companies, any statute of limitations and any time-related defenses are tolled from and after the Effective Date of this Settlement Agreement to the date of any subsequent enforcement action;
- b. The Companies shall not object to the admission of any evidence admitted at trial in this Action in any subsequent proceeding brought by the Attorney General, to the extent it is relevant to such subsequent proceeding. For the avoidance of doubt, this subparagraph (b) shall not apply to settlement communications;
- c. Any such civil action must be adjudicated by the courts of the Commonwealth of Massachusetts, and the Companies irrevocably and unconditionally waive any objection based upon personal jurisdiction, inconvenient forum, or venue. The Parties agree to jointly request that any such civil action be assigned to the Business Litigation Session of the Suffolk Superior Court. If a court of competent jurisdiction determines that one of the Companies failed to comply with the Settlement Agreement and failed to cure in a timely manner, that Company shall pay to the Attorney General the reasonable cost, if any, of obtaining such a determination, including without limitation expenses, and court costs;

- d. If a court of competent jurisdiction determines that one of the Companies has failed to comply with the Settlement Agreement and failed to cure in a timely manner, the Parties agree that the court may issue any remedies or relief it deems appropriate, including any applicable restitution, fines, and penalties.

92. Any failure by the Attorney General to insist upon the strict performance by the respective Companies of any of the provisions of this Settlement Agreement shall not be deemed a waiver of any of the provisions hereof, and the Attorney General, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all provisions of this Settlement Agreement to be performed by the respective Companies, and to seek any court orders that the Attorney General deems appropriate, if it is materially breached.

XIV. General Provisions

93. Nothing in this Settlement Agreement shall relieve the Companies of other obligations imposed by any applicable state, federal, or local law or regulation or other applicable law.

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

95. All terms and conditions of this Settlement Agreement shall continue in full force and effect on any successor, assignee, or transferee of the respective Companies. The Companies 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 Settlement Agreement.

96. Governing Law. The provisions of this Settlement Agreement shall be construed in accordance with the laws of the Commonwealth of Massachusetts.

97. Dismissal. Upon execution of the Settlement Agreement, the Parties will immediately file a stipulation of dismissal with prejudice in the Massachusetts Suffolk Superior Court (C.A. NO. 2084CV01519-BLS1) in the form attached hereto as Exhibit A, waiving all rights of appeal and with all Parties to bear their own attorney fees and costs.

98. Severability. The provisions of this Settlement Agreement shall be severable and should any provisions be declared by a court of competent jurisdiction to be unenforceable, the other provisions of this Settlement Agreement shall remain in full force and effect, unless that would be contrary to the intent of the Parties in entering into this Settlement Agreement.

99. Conduct Not Condoned. Entry into this Settlement Agreement does not constitute an approval by the Attorney General of any of the Companies' respective acts or practices, and the Companies shall make no representations to the contrary.

100. Entire Agreement. This Settlement Agreement, including any Exhibits, contains the complete agreement between the Parties regarding the terms of the Settlement Agreement. This Settlement Agreement supersedes all prior communications, discussions, or understandings, if any, between the Parties, whether oral or in writing.

101. Modification. This Settlement Agreement may not be changed, altered, or modified, except by written agreement by the Parties.

102. Notices. All notices and documents required by this Settlement Agreement shall be provided in writing, by email and first-class mail, to the Parties as follows:

If to Lyft:

Lyft, Inc.
185 Berry Street, Suite 400
San Francisco, CA 94107
legalnotifications@lyft.com

with a copy to:

Felicia H. Ellsworth
WilmerHale
60 State Street
Boston, MA 02109
felicia.ellsworth@wilmerhale.com

If to Uber:

Uber Technologies, Inc.
1515 3rd St,
San Francisco, CA 94158
maagsettlement@uber.com

with a copy to

Elissa Flynn-Poppey
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
eflynn-poppey@mintz.com

If to the Commonwealth of Massachusetts:

Lauren Moran
Office of the Attorney General
One Ashburton Place
Boston, MA 02108
lauren.moran@mass.gov

[SIGNATURE PAGE]

DocuSigned by:

Lauren Moran

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For The Commonwealth of Massachusetts

Lauren Moran, Chief, Fair Labor Division

Date: 6/27/2024 | 1:32:21 PM PDT

DocuSigned by:

Kathleen M. Waitzman

A764D93A1EE24C0...

For Uber Technologies, Inc.

Kathleen M. Waitzman, Chief Deputy General Counsel

Date: 6/27/2024 | 3:26:10 PM CDT

DocuSigned by:

Kristin Sverchek

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For Lyft, Inc.

Kristin Sverchek, President

Date: 6/27/2024 | 12:31:52 PM PDT