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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO

TAJE GILL, ESTERPHANIE ST. JUSTE, and BENJAMIN VALDEZ, individually and on behalf all others similarly situated,

Plaintiffs,

v.

UBER TECHNOLOGIES, INC., a Delaware corporation, and LYFT, INC., a Delaware corporation,

Defendants.

Case No.

CLASS ACTION COMPLAINT:

(1) Cartwright Act, Cal. Bus. & Prof. Code §§ 16720, *et seq.*,

(2) Providing Secret Payments or Commissions, Cal. Bus. & Prof. Code § 17045, and

(3) Unlawful, Unfair, And Fraudulent Business Practices, Cal. Bus. & Prof. Code §§ 17200, *et seq.*

JURY TRIAL DEMANDED

Plaintiffs Taje Gill, Esterphanie St. Juste, and Benjamin Valdez, individually and on behalf of others similarly situated, by and through their attorneys, bring the following allegations against Defendants Uber Technologies, Inc. and Lyft, Inc.

INTRODUCTION

1. Defendants Uber and Lyft operate a powerful duopoly that controls an approximately $61 billion rideshare industry.

2. In California, Defendants maintain their duopoly and exploit their drivers through persistent violations of California antitrust and consumer protection laws.

3. First, Defendants label their drivers independent contractors, yet deprive those drivers of economic independence by fixing the prices that drivers must charge to customers for rides. This is a form of vertical price fixing that is *per se* illegal under California's Cartwright Act.

4. Vertical price fixing harms drivers and customers by allowing Uber and Lyft to increase customer prices even while suppressing driver pay. If drivers could set prices for their rides, they could offer lower prices to consumers on the platform that offered the drivers the most competitive compensation. By preventing drivers from doing so, Uber and Lyft harm competition in both the labor market as well as the consumer market. Customers pay more, and drivers earn less.

5. In addition to vertical price-fixing, Uber and Lyft each adopt non-price restraints that are designed to limit competition between Uber and Lyft with respect to driver compensation and working conditions. One of these practices is to keep driver compensation so low when measured on a per-ride basis that drivers have no choice but to participate in game-like compensation packages that offer drivers a premium payment if, for example, they can complete a certain number of trips within a short period of time (such as a weekend). These practices are designed to make it harder for Uber and Lyft drivers, nominally independent contractors, to switch between ride-hailing platforms based on which would pay them more.

6. Since their inception, both Uber and Lyft have built their business models on classifying their drivers as independent contractors. They have always maintained that their drivers

are independent contractors and not employees, both in litigation and in public statements made to press and investors. In 2020, Uber and Lyft spent tens of millions of dollars each to fund Proposition 22, a ballot initiative to exempt app-based companies like Uber and Lyft from otherwise-applicable employment requirements.[1]

7. Relying on their insistence that their drivers are independent, Uber and Lyft have avoided paying a broad range of benefits for workers and taxes to the government, including unemployment insurance premiums, minimum wage, and payroll taxes.

8. Of course, if Uber and Lyft conceded that their drivers are employees protected by labor standards, they could exert control of this sort. Firms can set the prices their employees charge customers, and they can dictate when and where their employees work.

9. But Defendants have consistently insisted that their drivers are independent contractors. To defend this suit, they cannot take a contrary position that drivers are employees without admitting to liability for withholding wages and benefits to millions of workers.

10. The statutory independent contractor status created by Prop 22, even if that measure is constitutional, also does not protect Uber and Lyft from the claims alleged here. Nothing in Prop 22 immunizes Defendants from California law prohibiting unfair competition and unlawful and fraudulent business practices.

11. Uber and Lyft are either employers responsible to their employees under labor standards laws, or they are bound by the laws that prohibit powerful corporations from using their market power to fix prices and engage in other conduct that restrains fair competition to the detriment of both drivers and riders.

12. Therefore, having opted to treat their drivers as third-party independent contractors rather than in-house employees, Uber and Lyft now must lie in the bed they have made. Antitrust laws protect fair competition by ensuring that businesses (whether they are large corporations, small companies, or independent contractors) make economic decisions in an independent manner. But Uber and Lyft have each adopted vertical restraints that constrain the economic independence

[1] Prop 22 passed, but on August 20, 2021, a California superior court found that Prop 22 is unconstitutional and unenforceable. *Castellanos v. California* (Super. Ct. S.F., No. RG21088725). That decision is currently on appeal.

of their drivers. They have structured their businesses to have it both ways, denying drivers the rights owed to employees while also denying them meaningful independence.

13. With this lawsuit, Plaintiffs seek to permanently enjoin Defendants from fixing prices for rideshare services, withholding fare and destination data from drivers when presenting them with rides, imposing other non-price restraints on drivers, such as minimum acceptance rates, and utilizing non-linear compensation systems based on hidden algorithms rather than transparent per-mile, per-minute, or per-trip pay. Plaintiffs also seek treble damages for suppressed compensation on behalf of themselves and all those similarly situated.

PARTIES

14. Plaintiff Taje Gill is a natural person and resident of the State of California.

15. Plaintiff Benjamin Valdez is a natural person and resident of the State of California.

16. Pliantiff Esterphanie St. Juste is a natural person and resident of the State of California.

17. Defendant Uber Technologies, Inc. is a Delaware corporation with its principal place of business in San Francisco, California

18. Defendant Lyft, Inc. is a Delaware corporation with its principal place of business in San Francisco, California.

JURISDICTION & VENUE

19. This Court has subject matter jurisdiction over this action pursuant to California Business and Professions Code §§ 16750, 17070, 17203 and 17204. This Court has personal jurisdiction over the parties because Defendants have their principal places of business in California and because Defendants transact business in, and this action arose from transactions conducted in, this county.

20. Venue is proper in this Court pursuant to California Code of Civil Procedure §§ 395 and 395.5, and Business and Professions Code § 16750, 17070, 17203 and 17204 because Defendants' principal place of business is San Francisco County.

COMMON FACTUAL ALLEGATIONS

I. Uber's and Lyft's Business Models

21. Uber and Lyft are both "ride-hailing" companies that dispatch drivers to customers on demand. Riders use the Uber and Lyft mobile phone apps to request a driver who can transport them by private car from one point to another. In response to a request, the rider receives a fare quote and, if the request is for immediate service, an estimated wait time.

22. Once the rider orders the ride, the app pairs the rider with an available driver based on some combination of the driver's current location, the rider's current location, whether the driver's vehicle is sufficient to the rider's trip request, and other factors known only to Defendants.

23. The terms of the transaction between driver and passenger are dictated by Uber and Lyft. Uber and Lyft receive a request from a passenger, determine the price of the trip for the passenger, assign the passenger to a driver, determine the pay the driver receives, accept payment from the passenger, determine what amount the companies will take from the transaction, and provide payment to the driver.

24. Rideshare drivers are not paid for the time they are available to accept rides ("activated") but not yet dispatched, nor are they compensated for the costs they incur in performing their work, such as auto maintenance, insurance, or gasoline.[2] Drivers are also not paid for time or distance from their starting location, where they accept an offered trip, to the trip's pick-up location for the rider. Uber and Lyft only pay drivers for time when they have a passenger in the car.

25. The cost of the trip to the rider and the pay to the driver are both determined by Uber and Lyft based on hidden algorithms not disclosed to drivers or riders. These algorithms

[2] Prop 22 provides drivers with a minimum wage guarantee of 120% of the local minimum wage, plus 30 cents per mile for expenses, for all active time (i.e., time driving to pick up a passenger or with a passenger in the car). There is no wage guarantee and no wages provided for time spent waiting for the app to assign a ride. In practice, few drivers receive an expense reimbursement, because fares are generally higher than the guarantee. For example, the minimum wage guarantee on a 30-minute, 10-mile trip in a city with a $12/hour minimum wage would provide a driver with a guarantee of $10.20. If a fare is $11, the driver would receive no additional mileage reimbursement or additional pay, even if he or she did not get assigned another rider for the rest of the hour and therefore earned less than minimum wage for that hour.

consider flat base rates, time, and distance, along with variables such as vehicle type and region. The algorithms also take into account other factors that the companies do not disclose.

26. The amount Uber and Lyft decide to pay the driver is decoupled from the amount they decide to charge the customer, meaning that it is not a simple percentage of the customer's payment for the ride. In addition, Uber and Lyft retain the right by contract to adjust the passenger fare and dock driver pay if they determine the driver took an inefficient route.

27. Uber and Lyft pocket the difference between what a customer pays the company and what the company pays a driver for each trip. This amount is known as the "take rate." The greater the take rate, the more money Uber and Lyft keep from each transaction, and the less drivers take as compensation. To maximize profit, the companies are incentivized to charge passengers as much as possible and pay drivers as little as possible. Neither customers nor drivers are informed of the take rate.

28. In fact, in the last several years, passenger prices have soared even as driver pay has dwindled.

29. As explained below, Uber and Lyft have steadily increased their average take rates through various unfair methods of competition that limit driver independence and exclude competitors from offering a product that is better for both drivers and customers.

II. Uber's and Lyft's Vertical Price-Fixing

30. To position themselves to increase their profits, Uber and Lyft have structured their pricing schemes around vertical price fixing that harms both drivers and rides.

31. Each time a driver accepts a ride on Uber or Lyft, the companies' apps set the price that riders must pay using secret algorithms that are hidden from both drivers and riders. Drivers have no ability to adjust the price a customer must pay for a ride. For example, Uber's contract with drivers explicitly provides that "you [driver] agree to charge the Rider Payment to the Rider at the amount recommended by us." Lyft requires drivers to enter a similar agreement.

32. Riders who request an Uber or Lyft to a given destination receive a price directly from Uber or Lyft.

33. At the moment when the driver commits to provide the ride, the driver does not know what price Uber or Lyft will charge the passenger.

34. This scheme requires drivers to agree to surrender their pricing autonomy to Uber and Lyft as a condition of working with the companies, even though Uber and Lyft classify them as independent contractors. In this way, the companies' vertical price restraints deprive drivers of any power over the price customers are paying for their services.

35. Uber admits this practice is a form of vertical price-fixing. In 2019, an arbitrator from the American Arbitration Association considered federal antitrust claims brought by a consumer against Uber. In the course of the proceeding, Uber acknowledged that the consumer plaintiff's allegations about Uber's conduct pled a vertical price fixing or resale price maintenance arrangement. The arbitrator concluded that "Uber's individual relationships with its drivers [was] . . . *vertical* in nature in regard to the prices paid by riders and the amount earned by drivers," and that "[t]he pricing was *controlled and set* by Uber." (emphasis added).

36. Uber's and Lyft's vertical price fixing of fares is anticompetitive for both drivers and consumers.

37. Vertical price-fixing is core to Uber's and Lyft's maintenance of their duopoly and helps to insulate both companies from competitive pressures over take rates.

38. There are over 200,000 Uber and Lyft drivers in California.

39. Uber and Lyft have the market power to implement market-wide price increases without fear that consumers or drivers would flock to a competitor that would offer a lower take rate for the benefit of drivers and riders.

40. In the absence of vertical price fixing, Uber and Lyft drivers would naturally offer lower prices to riders on whatever rideshare platform (whether Uber, Lyft, or otherwise) offered the drivers better compensation. If drivers could set prices for the rides they provided, they would be incentivized to offer lower prices to consumers on the platform that offered them a greater share of the earnings by implementing a lower take rate.

41. For example, assume Company A offers drivers 30% of each fare, and Company B offers drivers 40% of each fare. If drivers were permitted to set ride prices with either company,

they would offer consumers better prices through Company B than through Company A. If the driver's goal is to make $10 off a ride, they would need to charge $33.33 for the ride through Company A, but could charge $25 for the same ride through Company B. By setting their own fares, drivers would steer passengers to Company B. To attract customers, Company A would need to offer more favorable compensation to its drivers—which in turn would result in lower prices for its riders.

42. Price fixing is not necessary for Uber and Lyft to be able to arrange rideshare services through their apps. For example, in the months leading up to the November 2020 election in which Prop 22 was on the California ballot, Uber launched a pilot program whereby California drivers had some discretion to set their own prices, expressed as a multiple of the Uber-fixed price. In other words, they could set their price higher or lower than whatever fare Uber assigned to the transaction (e.g., 1.2x or 0.8x), although the actual value of the fare still was not disclosed to them in advance of accepting the ride.

43. Shortly after Prop 22 was enacted, Uber stripped drivers of any autonomy over price setting, eliminated its policy of independent fare-setting, and returned to its price-fixing scheme.

44. Uber's and Lyft's price fixing conduct has allowed them to increase passenger fares substantially in recent years. Many passengers have assumed that driver pay is increasing as well, and sometimes lower the amount they tip drivers in response to that perception. The truth is that driver pay has decreased, with the fare increases largely going straight to Uber and Lyft. In 2019, Uber's and Lyft's take rate was estimated to be approximately 35 to 40 percent. In 2021, take rates appeared to increase to as high as approximately 70 percent of the passenger fare.

45. If drivers had pricing autonomy, they could use that autonomy to set lower prices while shopping among apps for the take rate that would allow them to earn the most. Meanwhile, Uber and Lyft (along with any new market entrants) would face competitive pressure to attract drivers and therefore customers to their platforms by lowering their take rates and offering drivers higher compensation for their work. Instead, under the current price-fixing regime, consumers pay more and drivers earn less.

III. Surge Pricing for Drivers and Riders

46. Both Uber and Lyft vary consumer prices via hidden algorithms during certain times and in certain locations. This pricing strategy, which operates differently for riders and customers, is a key component of how Uber and Lyft fix prices for riders, mislead drivers, and manipulate competition.

47. When they were first introduced to customers, Uber called these price variations "surges"; Lyft called them "Prime Time."

48. As Uber and Lyft initially grew their customer and driver base, they characterized price fluctuations as a way to clear the market for both drivers and riders with minimal wait times for both parties. According to them, larger surges in response to excess demand would induce more drivers and deter riders, and smaller ones in response to excess supply would do the inverse.

49. Over time, the companies have fine-tuned algorithms that estimate with great specificity the maximum amount an individual rider is willing to pay for a ride at any given time before they switch to another ridesharing app or choose not to take the trip at all.[3] The riders quoted the highest fares are those with either the greatest ability to pay, or the fewest transportation alternatives. The apps can infer this by analyzing how customers respond to fare variation in both experimental and natural settings. The apps can also consider the rider's location and individual characteristics (such as physical disabilities), both of which indicate the availability of functional transportation alternatives. The apps surveil and track that data, as they themselves disclose.

50. When Lyft and Uber first began to do business, they pocketed a set percentage of the passenger fare—either 20 or 25 percent—on each ride completed. Therefore, during a surge, drivers' pay increased by the same surge multiplier as the passenger's payment.

51. Starting in 2016, however, the companies decoupled the fare paid by riders from the payments made to drivers. This enabled Uber and Lyft to simultaneously increase the prices for customers while lowering compensation to drivers, thereby increasing the companies' take

[3] Uber has been documented quoting higher fares to individuals whose mobile phone batteries are running low, figuring they are less likely to multi-home among rideshare apps or opt for alternative transportation options.

rates. The shift undermined the companies' purported justification for price surges, which they publicly claimed reflected proportional increases in driver pay to induce more drivers to get on the road during times of high demand. Under the new pricing structure set by Uber and Lyft, Uber's and Lyft's Surge and Prime Time pricing do not lead to proportional increases in driver pay.

52. Uber and Lyft still charge customers for surges based on multipliers of the base rate, but the multiplier used is no longer disclosed to customers. In neither app are customers informed by how much surge or Prime Time pricing increases the fare.

53. The fares that Uber and Lyft charge customers during busy times can be many times the base rate.

54. Whereas Uber and Lyft increase customer prices by using multipliers that are not disclosed to either drivers or riders, drivers receive incentive offers of flat dollar amounts rather than multipliers of the passenger fare during busy periods. These flat dollar amounts do not increase proportionally to the cost of the ride to the passenger, meaning that the surge incentive amounts provided to drivers are often much smaller than the surge price presented to riders. The algorithm may show different surge incentive amounts to drivers in the same area.

55. Because the surge prices that Uber and Lyft fix for riders can be many times the additional payment provided to drivers, Uber and Lyft are able to use surges to drive up take rates, fixing high prices for riders while passing on only a fraction of that increased price to drivers.

56. Even though drivers' surge bonus is relatively small compared to the surge price charged to riders, many drivers plan their driving around surges because per-trip pay is too low to take too many rides without a surge bonus attached to them. In other words, to make money, some drivers "must chase a surge." This makes drivers particularly vulnerable to unlawful, unfair, and deceptive practices related to how Uber and Lyft deploy surges.

57. For Uber drivers, surges appear on driver maps as either orange or red spots that show a dollar bonus for a pickup in that area.

58. For Lyft, surges appear as a "Personal Power Zone," which is a pink or purple area on driver maps. A driver who drives to a purple Personal Power Zone receives an increased payment on their next ride, and if they advance to a pink Personal Power Zone, the payment

increases further. Personal Power Zone increases grow the longer a driver spends within the zone, although there are many factors that can void the additional pay. For example, if a driver does not accept or cancels the first ride they are offered after becoming eligible for an increased payment, the opportunity for the increased payment lapses entirely. It also lapses if the driver leaves the Personal Power Zone. In addition, the app retains the ability to assign a driver to a ride outside of the Personal Power Zone that is ineligible for a bonus, even if the driver themselves is in the Personal Power Zone when the assignment is received.

59. Lyft recently replaced the Personal Power Zone with the Bonus Zone. The Bonus Zone operates similarly to the Personal Power Zone except that it is a flat amount that does not grow over time, and it does not disappear if the driver leaves the Bonus Zone area.

60. Because it takes time for drivers to reach an area where a surge incentive amount is being offered, drivers can begin driving to a surge area, only for the surge incentive amount to drop or disappear by the time they arrive. Disappearing surge incentives persuade drivers to begin driving if they were not already on the road or to continue driving when it is unprofitable, without actually providing drivers with the extra compensation that they believed they would receive.

61. In addition, drivers en route to or in an area offering surge incentive amounts may be assigned to rides outside of a surge area. If they do not accept those rides, they face consequences like losing access to information about future rides before acceptance, and if they cancel those rides after accepting them, they risk discipline including deactivation.

IV. Exclusive Commitment Incentives

62. In addition to the surge incentive amounts that Uber and Lyft offer to drivers for picking up passengers during periods of high demand, Uber and Lyft operate other secretive compensation schemes administered through hidden algorithms that are geared towards inhibiting drivers from switching between apps (i.e., multi-homing) to find the platform that offers the best compensation to drivers at a particular time.

63. These compensation schemes can be described as "exclusive commitment incentives" because they provide drivers with incentive payments that cannot be accessed unless they effectively commit to working exclusively for the app offering the incentives, no matter how

unfavorable the terms of the rides may be, as opposed to switching between apps for more favorable rides. Limiting drivers' ability to switch between apps reduces the extent to which Uber and Lyft need to compete with one another to attract drivers to their platforms.

64. As with surges, exclusive commitment incentives are important to drivers because Uber's and Lyft's baseline per-trip pay is too low to profit as a rideshare driver. At the basic rates Uber and Lyft provide, drivers may not even make minimum wage for every hour of their work if they have to spend time between rides waiting for a passenger request, and they may not break even after expenses such as gas and maintenance.

65. For Uber, the most significant of these commitment incentives is called a "Quest." Quests operate as follows: weeks are divided into two segments, weekdays from early morning Monday to early morning Friday, and the weekend from early morning Friday to early morning the following Monday. Before the start of one of these segments, the driver is presented with several options for how many rides they will commit to fulfilling before the end of the segment, each of which corresponds to a payment of a certain amount. Options may range from 20 rides for a lower-end payment to 90 rides for a higher-end payment. The driver must select an offer before the segment begins.

66. Uber also offers Consecutive Trip boosts, which require drivers to complete a series of consecutive rides offered by the app without cancelling any rides, rejecting any offers, or "going offline" (i.e., making oneself unavailable to receive ride assignments from the app). Accepting a ride offered by Lyft or another competitor would break a streak and make a driver ineligible for a Consecutive Trip boost.

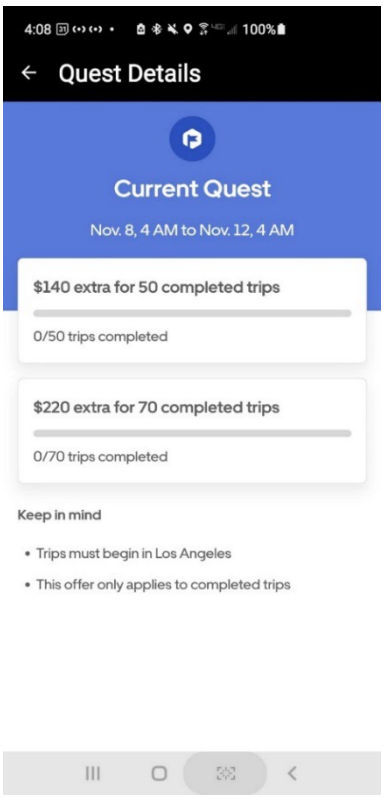
67. Lyft operates a system called a "Ride Challenge," which is similar to Uber's Quests. Drivers presented with a Ride Challenge receive a certain number of rides and a corresponding payment amount. If they complete the specified number of rides within a certain time period, they receive that payment.

68. Lyft also provides drivers with "earnings guarantees," which promise drivers that they will not make below a certain amount of money for a certain number of rides in a given period of time (for example, at least $1,000 for 70 rides between Friday and Monday). Drivers have no

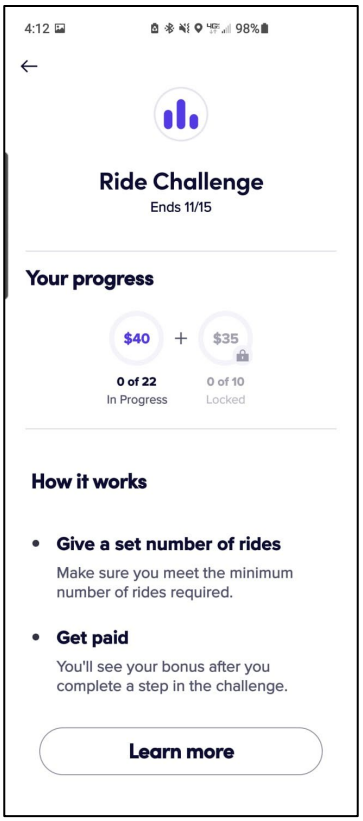
prior information about when or whether the algorithm will offer them these guarantees and no ability to plan around them.

69. In addition, Lyft offers Streak Bonuses, which require drivers to accept all of the rides offered by Lyft consecutively and to stay online for the duration of the streak (excepting the option of a brief 15-minute break). Pursuing a streak for Lyft means drivers cannot accept Uber rides while the streak is active.

70. Screenshots showing a Quest and a Ride Challenge are below in Figures 1 and 2, respectively.



(Figure 1.)



(Figure 2.)

71. During a commitment incentive period Uber and Lyft can exercise considerable control over drivers, including by preventing them from multi-homing by switching back and forth between apps.

72. Uber's and Lyft's control over drivers is especially strong at the end of a commitment incentive period. When nearing the end of a particular Quest or Ride Challenge, for example, drivers are particularly unwilling to multi-home, no matter how unfavorable the compensation terms for the rides that the app is offering them.

73. Uber's and Lyft's leverage over drivers during a commitment incentive period pressures drivers to accept all offered rides. This is because Uber and Lyft can stop presenting rides to drivers that have rejected a ride, thereby preventing them from obtaining the promised bonus. They can present especially unfavorable rides to drivers at the end of their incentive-pay periods without concern that drivers will shop between apps for more favorable rides because drivers will not want to lose the bonus just before reaching the finish line.

74. In addition to restricting movement between apps in violation of the Cartwright Act as detailed above, exclusive commitment incentives allow Uber and Lyft to pay drivers based on hidden criteria set by secret algorithm in a manner that has the tendency to destroy competition.

75. Uber and Lyft drivers do not know how the algorithm determines what exclusive commitment incentives it will offer them, and do not know what exclusive commitment incentives other drivers are receiving. This prevents drivers from understanding the value of their labor, reducing their ability to demand better terms from Uber and Lyft and to assess what a competitive price would be for customers. It also disadvantages customers, who are forced to accept whatever terms Lyft and Uber impose upon them without the benefit of competition.

76. A driver who is able to understand when a customer is being charged an amount that grossly exceeds the amount the driver is willing to work for would offer that customer a lower fare on a platform that imposes a lower take rate.

77. As utilized by Uber and Lyft, exclusive commitment incentives also gamify driving in an unlawful, unfair and fraudulent manner to ensure that drivers perform the most possible work for the lowest possible pay. For example, the algorithms induce loyalty from drivers by providing them with a relatively high commitment incentive one week, setting the expectation of continued rewards. Once the algorithm has determined that a driver has been enticed into driving steadily for a particular app by the expectation of and reliance on these payments, the app will provide lower

and less frequent exclusive commitment incentives, knowing that drivers will continue driving for a single app in the hope—cultivated by Uber's and Lyft's omissions—that the exclusive commitment incentives will return.

V. Misrepresentations Regarding Fare and Destination Data

78. Independent contractors typically can make their own decisions about whether to take on a job based on how long it will take them and how much they will earn. But Uber and Lyft disclose only partial information to their drivers about ride offers, providing additional information only to drivers who commit to using primarily one particular app. The disclosure of partial information misleads drivers and coerces them into accepting rides they would otherwise not accept.

79. This practice restricts multi-homing in violation of the Cartwright Act and constitutes an unfair and fraudulent business practice under California's Unfair Competition Law.

80. The most important factors that a rideshare driver must consider in deciding whether to accept a ride are the fare the driver will be paid, the pick-up location, and the drop-off location. The pick-up location relative to the driver's current location is important because it reflects the uncompensated time and distance necessary for the driver to pick up the passenger. The drop-off location is important because it informs the likelihood that the driver will obtain another trip without too much uncompensated time or distance after the first trip is completed. A driver must consider both the pick-up and drop-off location in relation to the driver's compensation to make an informed decision about whether the trip is economical, taking into account considerations like the relative mileage versus time in traffic.

81. Uber and Lyft have all this information before they present a ride to a driver. They know the customer's origin and the customer's destination, and they determine customer price and driver pay based on hidden algorithms within their possession. But the companies hide nearly all of that information from drivers. Instead, they present only limited information about each ride (described below) to drivers and give drivers only seconds to accept or reject the ride. The obvious purpose of this scheme is to mislead drivers and induce them into accepting rides that they would not otherwise accept.

82. The lack of transparency also makes it impossible for drivers to understand the competitive benefits of rides offered on one platform versus another in advance.

83. When deciding whether to accept or reject an offered trip, drivers for both Lyft and Uber who have not achieved special status are given only partial information as to the origin of the ride. The apps tell drivers the approximate time in minutes and distance in miles to the prospective passenger, but do not provide drivers with the location of the passenger upfront, even though the companies have that information.

84. Drivers who have not achieved special status are only informed of the passenger's destination after they have picked the passenger up. Information about the destination of a ride is critical because without it, drivers cannot determine how long a job will take or even estimate how much they may be paid for it.

85. Further, drivers who have not achieved special status do not learn how much they will earn until after a trip is completed.

86. Without critical information about rider destination and expected earnings, drivers accept rides they would not otherwise accept. And, because cancellation rates are the central consideration in driver deactivation decisions, if drivers cancel rides they have accepted once they are informed of the passenger's destination, or if they cancel one ride in favor of another, more lucrative ride, they risk de-activation. In addition to the circumstances where drivers choose to cancel rides, rides may be cancelled or reassigned if a driver is not moving towards a passenger pickup quickly enough. These reassignments may also count towards a driver's total number of cancellations.

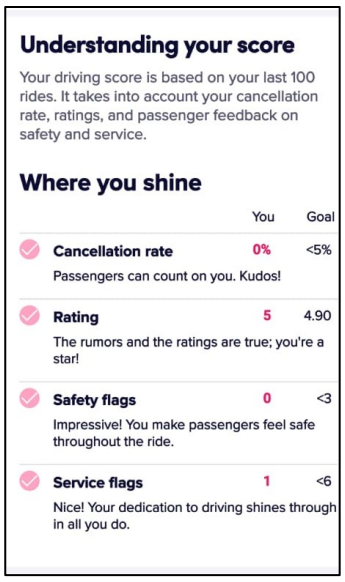
87. Thus, if a driver cancels or is reassigned from a trip after accepting it, not only does the driver not earn anything for the trip, but they are also threatened with termination from the app.

88. The companies can easily disclose fare and destination data. In fact, it has not always been the case that both defendants withhold fare and destination data from drivers. Prior to the passage of Prop 22, with the threat of driver misclassification lawsuits looming, California drivers for defendant Uber had access to destination data and fare estimates when deciding which rides to accept. But following the passage of Prop 22, Uber made the availability of fare and

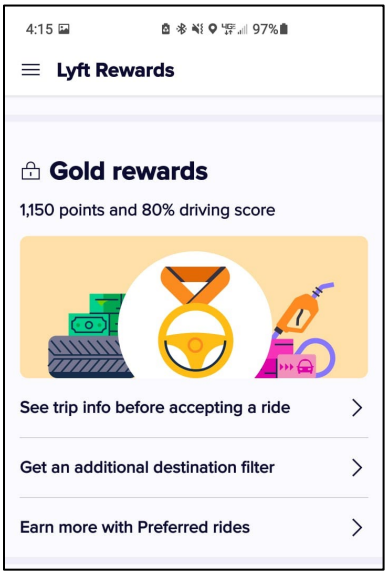
destination data conditional on maintaining a minimum acceptance rate of five of the last 10 offered rides on the app.

89. Lyft operates a similar, but even more onerous, policy: access to fare and destination data is conditional on maintaining a 90% minimum acceptance rate.

90. In the alternative, Lyft provides some limited destination data upfront to drivers as a reward for reaching either the Gold or Platinum status tier on the app. These tiers require that drivers maintain a certain driving score and that they earn a certain amount of money for rides during "busy hours," which are determined by Lyft. Driving score is calculated via a combination of cancellation rate, passenger rating, safety flags, and service flags. Drivers in the Gold or Platinum tier can see the cardinal direction that a passenger is going (e.g., southwest) and the trip duration in minutes prior to accepting the ride. Screenshots of the Lyft app showing a breakdown of the driving score and Gold requirements are below in Figures 3 and 4, respectively.



(Figure 3.)



(Figure 4.)

91. With complete information, drivers are better able to accept trips that are economically worthwhile and reject the ones that pay too low a fare or that leave them in a destination where they'll be unlikely to find another without a costly "deadhead" trip.

(Deadheading is a common industry term for a trip without a passenger that is, consequently, unpaid.)

92. Both apps' information-sharing policies inhibit multi-homing and reduce drivers' ability to shop between apps for the best compensation offers by conditioning the provision of valuable information on accepting a baseline number or percentage of rides from a specific app.

93. Moreover, the benefit of this information is limited because the minimum acceptance and tier requirements force drivers into accepting unfavorable rides even when they have accessed the special status that provides them with enough information to better assess the value of rides.

94. If drivers reject too many trips, even if these trips are not worthwhile, or do not drive enough for a single app during the required hours, including by moving back and forth between apps in search of better rides, those drivers lose the ability even to assess the potential value of the trip before it is underway.

95. Presenting trips to drivers to accept or reject when the app is in full possession of the relevant data, but the drivers are not, constitutes an unfair, unlawful, and fraudulent game with dire consequences for losing: cancel too many accepted trips once the driver learns they are less than worthwhile to undertake, and get terminated from the app entirely; accept too many, and operate at a loss. The course of conduct described here prevents drivers from exercising their judgment and discretion regarding which rides to accept, undermining their independence and deceiving them as to the profitability of their work.

96. Defendants' material omissions and misrepresentations also include telling drivers that riders pay a lower price than they in fact do or withholding the amount riders pay from drivers altogether. These misrepresentations from the companies lead drivers to falsely believe that their share of the riders' fares is higher than it is, and to hide from drivers that the Defendants' take rates from the passenger fares have soared from 20% to, in some cases, 70% or more.

97. Such high take rates are only possible because of the anticompetitive practices described above, including Uber and Lyft's efforts to impede drivers from making informed

decisions about multi-homing by concealing the true magnitude of the platform's take rates from both drivers and riders.

VI. The But-For World

98. In the absence of the companies' unfair competition and deception—including their vertical price fixing, opacity about destination and fare information, secretive compensation schemes, and unfair and fraudulent practices—drivers, customers, and law-abiding competitors would all benefit.

99. If drivers could set their own fares, they would use that autonomy to steer riders between apps by offering lower fares on the app that offered drivers the best compensation. The increased ability of drivers to switch between platforms would thus stimulate competition between platforms with respect to their take rates/driver compensation. At the same time, customer prices would go down.

100. If drivers had more autonomy, the apps would have to compete for drivers' services with better fares and terms of work, rather than securing drivers through deception and anticompetitive behavior. Likewise, if drivers were not subjected to limitations on their mobility by anticompetitive exclusive commitment incentives and were free from vertical price restraints, then drivers would be free to offer better terms to riders on other platforms.

101. Apps would also have to compete for customers with lower prices and better service, rather than relying on their duopoly over available rideshare drivers to control access to rideshare drivers' services on the part of customers.

102. Finally, a world in which drivers could move between apps and improve driver compensation through competition would offer greater opportunity for newcomers to enter the market by offering better terms to both drivers and riders. This would include lower prices for customers, higher pay for drivers, and lower take rates.

103. Several ventures have attempted to compete against Defendants in California, notably Sidecar. As a consequence of the challenged conduct as well as predatory pricing and tortious interference by the incumbents, none of those efforts has succeeded.

VII. Defendants' Market Power

104. Although Plaintiffs are not required to allege or prove Defendants' market power with respect to conduct that is *per se* illegal under the Cartwright Act, such as price-fixing, it is undeniably the case that Defendants have sufficient market power for their conduct to harm competition.

105. There are two ways to demonstrate market power. One is direct evidence of the power to set prices above marginal cost or pay below marginal product without losing market share. The second is to prove it indirectly through a traditional market definition exercise.

106. Here, there is abundant direct evidence of market power. Uber and Lyft have both repeatedly decreased the pay provided to drivers, and increased the fare charged to passengers, without a significant impact to their respective market shares. For example, a 2018 study found that the average monthly driver earnings dropped by 53 percent between 2013 and 2017. This trend has continued: Uber recently decreased the rate paid to drivers picking up passengers from Los Angeles International Airport from approximately 60 cents a mile to 32 cents a mile. When the app was first gaining a foothold, rates were as high as $1.20 a mile. At the same time that driver compensation has decreased, passenger fares have increased as much as 50 to 60 percent. Meanwhile, neither app has experienced a loss in market share.

107. Serial price increases for rides and reductions to driver compensation by Uber and Lyft without loss of market share establish that they each enjoy the power to price above marginal cost, and to reduce driver pay below marginal product.

108. Similarly, the limitations on driver mobility and ability to switch from platform-to-platform because of the price and non-price vertical restraints described above are also direct evidence of market power.

109. To the extent a relevant market must be defined, the relevant service market is for app-based on-demand rideshare drivers' services. A hypothetical app that monopsonized the market for rideshare services could profitably impose a small but significant and non-transitory decrease in wages or pay for rideshare drivers.

110. Driving a taxi is not a reasonable alternative to driving for app-based on-demand rideshare services, because there are significant barriers to entry to driving a taxi, including obtaining a taxi medallion or the approval of the Department of Transportation and often purchasing or leasing a specific type of car. In contrast, Uber and Lyft drivers can use a much broader variety of vehicles, and do not require any particular licensing in California.

111. The relevant geographic market for rideshare drivers consists of service areas within California, including but not limited to the San Francisco Bay Area, Fresno, the Inland Empire, Los Angeles, Modesto, Orange County, Sacramento, San Diego, San Luis Obispo, Santa Barbara, and Ventura. Uber and Lyft both list their service areas on their websites.

112. Defendants Uber and Lyft operate a near-perfect duopoly in the labor market for rideshare drivers' services in each service area. Nationally their shares are approximately 70% for Uber and 30% for Lyft. In California, however, Uber has a slightly lower market share than its national average, while Lyft has a slightly higher market share. For example, their market share in several major California cities is below:

a. San Francisco: 60% Uber, 40% Lyft.

b. Los Angeles: 60% Uber, 40% Lyft.

c. San Diego: 65% Uber, 35% Lyft.

d. San Jose: 65% Uber, 35% Lyft.

113. By virtue of network effects, there are substantial barriers to entry for other would-be rideshare apps to compete against the incumbents Uber and Lyft.

114. Additionally, Uber has engaged in aggressive efforts to foreclose competition. For example, one early Uber competitor in California known as Sidecar alleged in a lawsuit that it was unable to compete in the California market thanks to Uber's predatory pricing and tortious interference. According to Sidecar, Uber engaged in this conduct to develop and maintain its customer base and make it infeasible for drivers to switch to a more driver-friendly app.

115. Further, Defendants possess market power, as evidenced by:

a. Their ability to impose disadvantageous terms on drivers, such as imposing minimum acceptance rates on drivers in exchange for data that was

previously shared freely, without a significant number of drivers switching to a different app or exiting the market entirely.

b. Their ability to significantly decrease the compensation paid to drivers without a significant number of drivers switching to a different app or exiting the market entirely.

c. Their high market shares and overall duopolistic market structure.

d. The imposition of disadvantageous contractual terms without compensation, including that drivers are not compensated for the time they spend activated-but-undispatched and that their expenses are not compensated at any time.

116. Defendants' non-price vertical restraints have substantially adverse effects on competition, too. By tethering drivers to a specific app, these restraints prevent drivers from multi-homing, despite Defendants' claims that there are no restrictions on drivers' ability to move between apps. This in turn restrains competition and restricts drivers' ability to offer better terms to riders by switching apps, resulting in lower wages for drivers and higher fares for passengers.

117. These anticompetitive effects are not offset by any procompetitive benefits.

VIII. Plaintiffs' Experiences

i. Plaintiff Taje Gill

118. Plaintiff Taje Gill started driving for Uber in August 2017, and for Lyft in September 2017, primarily in Orange County, California.

119. Mr. Gill drove regularly from 2017 until March 2020, at the start of the coronavirus pandemic. At that point, Mr. Gill stopped driving due to concerns about his health.

120. Mr. Gill re-started driving for Lyft and Uber in summer 2021, and currently drives approximately 40 hours a week, with about 20 hours of active time.

121. When he first started driving again, Mr. Gill drove for both Lyft and Uber, and participated in many of the incentives that both companies offered. However, he realized over time that the exclusive commitment incentives restricted his ability to shop between apps for rides and suppressed his earnings. He also began to notice that while he was bound to a Quest or Ride

Challenge he would receive rides in inconvenient and unprofitable locations that he would be pressured to accept to fulfill his quotas.

122. Mr. Gill also chased surges when he began driving for Uber and Lyft again, but frequently found that by the time he arrived in the surging area, the surge would disappear.

123. At present, Mr. Gill drives primarily for Lyft in order to achieve Platinum status as a driver. He drives for Uber a few times a month. Achieving Platinum status allows him to see the cardinal direction of an offered ride, and the time in minutes that the app estimates for his trip, prior to picking up a passenger. Even this limited information aids his ability to earn enough money to make driving worthwhile, but he would be able to make more informed decisions if Lyft provided the complete set of relevant information described above in advance of him accepting a ride.

124. In order to maintain Platinum status, Mr. Gill must continue to keep his cancellation rates below a certain level, and to drive a certain amount for Lyft during time periods that Lyft determines. In May 2021, Mr. Gill went on vacation out of the country and stopped driving for several weeks. When he returned, he found that the app had reset, and had to work to earn his status back.

125. Mr. Gill has no ability to adjust the amount passengers pay for their rides.

126. If Uber and Lyft allowed Mr. Gill to set the prices for his own rides, and if Uber and Lyft were not permitted to use exclusivity incentives and other tactics to limit his ability to switch between platforms, he would be able to set lower prices for customers on the platform that offered him better compensation terms. Further, if Uber and Lyft were required to share key material information about each trip before he accepted it, he would be able to make more informed choices about which trips it would be economical for him to provide.

127. Mr. Gill has opted out of arbitration and is not subject to Lyft or Uber's arbitration agreements.

ii. Plaintiff Esterphanie St. Juste

128. Plaintiff Esterphanie St. Juste started driving for Uber in the Los Angeles, California area in June 2015, and for Lyft in July of that year. When she first started driving for Lyft and Uber, Ms. St. Juste made up to $1.20 per mile.

129. For the first four years Ms. St. Juste drove, she drove full-time, primarily for Uber. In October 2019, she switched to driving primarily on the weekends.

130. Like many rideshare drivers, Ms. St. Juste stopped driving in March 2020, at the beginning of the COVID-19 pandemic, due to a dramatic drop-off in passenger demand.

131. In September 2021, Ms. St. Juste began driving for Lyft again.

132. Between September 2021 and January 2022, Ms. St. Juste drove for Lyft in the Los Angeles area, generally for around 9-12 hours a day. According to the Lyft app, this translated to around 30 to 35 hours of active time (i.e., time with a passenger in the car) per week.

133. Ms. St. Juste was able to work up to Platinum status on the Lyft app by keeping her cancellation rates below a certain level and driving a certain amount for Lyft during time periods that Lyft determined. Her Platinum status means she received information about the length of the rides the app offered her, as well as the cardinal direction her passenger was headed in. Even this limited information aids her ability to earn enough money to make driving worthwhile, but she would be able to make more informed decisions if Lyft provided the complete set of relevant information described above in advance of her accepting a ride.

134. Ms. St. Juste had no ability to adjust the amount passengers paid for their rides. The only way she could learn what passengers paid at all was to ask them directly.

135. If Uber and Lyft allowed Ms. St. Juste to set the prices for her own rides, and if Uber and Lyft were not permitted to use exclusivity incentives and other tactics to limit her ability to switch between platforms, she would be able to set lower prices for customers on the platform that offered him better compensation terms. Further, if Uber and Lyft were required to share key material information about each trip before she accepted it, she would be able to make more informed choices about which trips it would be economical for her to provide.

136. Ms. St. Juste has opted out of arbitration and is not subject to Lyft or Uber's arbitration agreements.

137. Ms. St Juste does not currently drive for either Uber or Lyft, but would do so if the anticompetitive restraints and unfair, unlawful and fraudulent practices described in this complaint were removed.

iii. Plaintiff Benjamin Valdez

138. Plaintiff Benjamin Valdez began driving for Uber and Lyft in 2015 in Los Angeles, California.

139. Since 2015, Mr. Valdez has driven steadily, with the exception of approximately two months between March 2020 and May 2020, towards the beginning of the COVID-19 pandemic. Mr. Valdez has generally driven approximately 20-25 hours a week, which translates to approximately 4-5 hours a week of active time.

140. Mr. Valdez currently drives predominantly for Uber, but drives for Lyft occasionally when offered a particularly valuable ride, which happens approximately once a week.

141. Mr. Valdez primarily drives when he can receive high surge bonuses for nearby rides, because in the absence of additional incentive pay his earnings are very low. However, his ability to properly calculate whether any given ride is worth taken is limited, because even though he drives primarily for Uber, he does not drive frequently enough at certain specific times or accept a high enough percentage of offered rides to access pre-acceptance information about passenger destination or the offered fare.

142. Although Mr. Valdez depends on Uber's surge map to determine when to drive, the map is often misleading. For example, sometimes the surge map shows Mr. Valdez a certain amount of additional pay, but when he goes online (i.e., makes himself available to receive rides) that amount drops, only to rise again when he goes back offline. In addition, Mr. Valdez has driven to a location showing a surge of one amount only to have the app offer him a lower amount upon arrival.

143. Mr. Valdez has no ability to adjust the amount passengers pay for their rides.

144. If Uber and Lyft allowed Mr. Valdez to set the prices for his own rides, and if Uber and Lyft were not permitted to use exclusivity incentives and other tactics to limit his ability to switch between platforms, he would be able to set lower prices for customers on the platform that offered him better compensation terms. Further, if Uber and Lyft were required to share key material information about each trip before he accepted it, he would be able to make more informed choices about which trips it would be economical for him to provide.

145. Mr. Valdez has opted out of arbitration and is not subject to Lyft or Uber's arbitration agreements.

CLASS ACTION ALLEGATIONS

146. **Class Definition**: Plaintiffs bring their class action claims under Code of Civ. Proc. § 382 on behalf of themselves and a Class of similarly situated individuals defined as follows:

> All individuals domiciled in California who have driven for Lyft and/or Uber in California within the four years prior to the filing of this Complaint and who have opted out of Lyft and/or Uber's arbitration agreements.

Excluded from the Class are: (1) any Judge or Magistrate presiding over this action and members of their families; (2) Defendants, Defendants' subsidiaries, parents, successors, predecessors, and any entity in which Defendants or their parents have a controlling interest, and their officers and directors; (3) Plaintiffs' counsel and Defendants' counsel; and (6) the legal representatives, successors, and assigns of any such excluded persons.

147. **Numerosity:** Class Members are so numerous that joinder of all of them is impracticable. Uber alone has reported over 200,000 active drivers in California per quarter, and Lyft similarly reports several hundred thousand active drivers in California per year. Upon information and belief, a significant number of these drivers, totaling at least 1,300 individuals, have opted out of arbitration and are not subject to either Uber or Lyft's arbitration agreement.

148. **Commonality and Predominance:** There are questions of law and fact common to the Class that predominate over any questions affecting only individual Class Members. Common questions include, among others, (1) whether Uber and/or Lyft engage in unlawful price fixing; (2) whether Uber and/or Lyft engage in other anticompetitive vertical restraints; (3) whether Uber and/or Lyft's compensation system results in unlawful secret payments and/or commissions;

(4) whether Uber and/or Lyft's business practices violate the law; (5) whether Uber and/or Lyft engage in unfair and fraudulent business practices; (6) whether Uber and/or Lyft owe the Class damages and, if so, in what amount; and (7) whether Plaintiffs and the Class are entitled to resulting permanent injunction against Uber and/or Lyft, and, if so, the scope of such injunction.

149. **Typicality:** The claims of Plaintiffs are typical of the claims of the Class Members. Plaintiffs were drivers for both Lyft and Uber in California within the relevant period and were harmed by their unlawful and anticompetitive practices.

150. **Adequate Representation:** Plaintiffs will fairly and adequately represent and protect the interests of the Class and have retained counsel competent and experienced in complex litigation and class actions. Plaintiffs' claims are representative of the claims of the other members of the Class. Plaintiffs and the Class members sustained damages as a result of Defendants' conduct. Plaintiffs also have no interests antagonistic to those of the Class, and Defendants have no defenses unique to Plaintiffs. Plaintiffs and their counsel are committed to vigorously prosecuting this action on behalf of the members of the Class and have the financial resources to do so. Neither Plaintiffs nor their counsel have any interest adverse to the Class.

151. **Predominance and Superiority**: A class action is superior to other available methods for the fair and efficient adjudication of this controversy, as joinder of all members of the Class is impracticable. Individual litigation would not be preferable to a class action because individual litigation would increase the delay and expense to all parties due to the complex legal and factual controversies presented in this Complaint. By contrast, a class action presents far fewer management difficulties and provides the benefits of single adjudication, economy of scale, and comprehensive supervision by a single court. Economies of time, effort, and expense will be fostered and uniformity of decisions will be ensured.

152. Additionally, class certification is appropriate because Lyft and Uber have acted and/or refused to act on grounds generally applicable to the Class, making appropriate declaratory, equitable, and injunctive relief with respect to Plaintiffs and members of the Class as a whole.

CAUSES OF ACTION

FIRST CAUSE OF ACTION
Vertical Price Fixing in Violation of the Cartwright Act
CAL. BUS. & PROF. CODE §§ 16720, *ET SEQ.*
(Plaintiffs, on behalf of themselves and the Class, against All Defendants)

153. Plaintiffs incorporate by reference all previous paragraphs of this Complaint.

154. Defendants Uber and Lyft enter into coercive agreements with Plaintiffs and other drivers that require them to allow Defendants to fix customer prices.

155. This conduct constitutes price fixing and is a *per se* violation of the Cartwright Act.

156. Defendants' conduct prevents competition, precludes free and unrestricted competition, restricts trade and commerce, and has overall anti-competitive effects.

157. Plaintiffs and the Class have been harmed by the defendant's illegal price-fixing.

158. Plaintiffs and the Class are entitled to recover three times the damages sustained by them, interest on those damages, together with reasonable attorney's fees and costs under Cal. Bus. & Prof. Code § 16750.

159. Further, unless the illegal price-fixing is permanently enjoined, it will persist. Plaintiffs and the Class are entitled to a permanent injunction that terminates the restraints.

SECOND CAUSE OF ACTION
Unfair Competition through Maintenance of Illegal Non-Price Vertical Restraints in Violation of Cartwright Act
CAL. BUS. & PROF. CODE §§ 16720, *ET SEQ.*
(Plaintiffs, on behalf of themselves and the Class, against All Defendants)

160. Plaintiffs incorporate by reference all previous paragraphs of this Complaint.

161. Uber and Lyft have created and carried out restrictions in trade or commerce such as the non-price vertical restraints described in this Complaint.

162. These non-price vertical restraints include the non-linear payment structures that restrict drivers' ability to multi-home and prevent competitors from entering the market that are described herein, including but not limited to Quests, Ride Challenges, and Consecutive Trip Boosts, to the detriment of drivers and the public generally.

163. Minimum acceptance rates for tiered access to ride data are also an illegal anti-competitive non-price vertical restraint.

164. The anticompetitive effects of these restrictions outweigh any beneficial effect on competition in the market for drivers based on the market definition alleged here.

165. Plaintiffs and the Class have been harmed by these unlawful restrictions in trade or commerce.

166. Plaintiffs and the Class are entitled to recover three times the damages sustained by them, interest on those damages, together with reasonable attorney's fees and costs under Cal. Bus. & Prof. Code § 16750.

167. Further, unless the illegal restraints are permanently enjoined, they will persist. Plaintiffs and the Class are entitled to a permanent injunction that terminates the restraints.

THIRD CAUSE OF ACTION
Secret Payments and/or Commissions
CAL. BUS. & PROF. CODE § 17045
(Plaintiffs, on behalf of themselves and the Class, against All Defendants)

168. Plaintiffs incorporate by reference all previous paragraphs of the Complaint.

169. Defendants unlawfully provide secret payments and/or commissions, and/or secretly extend to certain drivers special privileges not extended to all drivers driving upon like terms and conditions, in the form of unpredictable and non-uniform offers of compensation via compensation mechanisms including but not limited to Quests and Ride Challenges.

170. These secret payments and/or commissions injure competitors.

171. These secret payments and/or commissions tend to destroy competition.

172. Plaintiffs and the Class have been harmed by Defendants' unlawful policies and practices, and are entitled to damages as compensation for such harm.

173. Plaintiffs and the Class seek restitution and a permanent injunction to stop Defendants from continuing these policies.

FOURTH CAUSE OF ACTION
Unfair Competition Law (Unlawful Prong)
CAL. BUS. & PROF. CODE §§ 17200, *ET SEQ.*
(Plaintiffs, on behalf of themselves and the Class, against All Defendants)

174. Plaintiffs incorporate by reference all previous paragraphs of this Complaint.

175. Defendants engage in unlawful business practices in violation of California's Unfair Competition Law for the purposes of suppressing competition from other rideshare companies and in order to undermine drivers' ability to participate in free and independent businesses.

176. Defendants also unlawfully provide secret payments and/or commissions to drivers, and/or secretly extend special privileges not extended to all drivers driving upon like terms and conditions.

177. Defendants' conduct is unlawful because it violates California's Cartwright Act, Bus. & Profs. Code § 16720, *et seq*., and Bus. & Prof. Code § 17045, as set forth in this complaint.

178. Plaintiffs and the Class have been harmed by Defendants' unlawful policies and practices.

179. Plaintiffs and the Class seek restitution and a permanent injunction to stop Defendants from continuing these policies.

FIFTH CAUSE OF ACTION
Unfair Competition Law (Unfair Prong)
CAL. BUS. & PROF. CODE §§ 17200, *ET SEQ.*
(Plaintiffs, on behalf of themselves and the Class, against All Defendants)

180. Plaintiffs incorporate by reference all previous paragraphs of this Complaint.

181. Defendants engage in unfair business practices in violation of the Unfair Competition Law, which suppresses competition from other rideshare companies and undermines drivers' autonomy.

182. Defendants' practices offend established public policy and are immoral, unethical, oppressive, unscrupulous, and substantially injurious to drivers.

183. Defendants' practices also cause substantial injury to Plaintiffs and Class members which is not outweighed by any countervailing benefits to them or to competition, and which they themselves cannot reasonably avoid.

184. Plaintiffs and the Class are likely to be harmed by Defendants' harmful and unfair practices.

185. Plaintiffs, the Class, and consumers have all been harmed by Defendants' unlawful policies and practices. Plaintiffs and the Class seek restitution and a permanent injunction to stop Defendants from continuing these policies and practices.

SIXTH CAUSE OF ACTION
Unfair Competition Law (Fraudulent Prong)
CAL. BUS. & PROF. CODE §§ 17200, *ET SEQ.*
(Plaintiffs, on behalf of themselves and the Class, against All Defendants)

186. Plaintiffs incorporate by reference all previous paragraphs of this complaint.

187. Defendants deceive drivers and engage in unfair and fraudulent business practices in violation of the Unfair Competition Law, which suppresses competition from other rideshare companies and undermines drivers' autonomy.

188. Defendants' deception includes concealing information about customer destinations before drivers decide whether to accept a ride and failing to disclose information about how much customers pay for each ride.

189. Defendants' practices offend established public policy and are immoral, unethical, oppressive, unscrupulous, and substantially injurious to drivers.

190. Plaintiffs and the Class are likely to be deceived by Defendants' misrepresentations, partial truths, and omissions.

191. Plaintiffs, the Class, and consumers have all been harmed by Defendants' unlawful policies and practices.

192. Plaintiffs and the Class seek a permanent injunction to stop Defendants from continuing these policies.

PRAYER FOR RELIEF

Plaintiffs and the Class respectfully request that the Court:

a. Certify this case as a class action and appoint Plaintiffs as Class Representatives and their counsel as Class Counsel;

b. Award Plaintiffs and the proposed Class all appropriate relief, including but not limited to injunctive relief requiring that Uber and Lyft cease the unlawful, unfair, fraudulent, and anticompetitive practices described herein; declaratory relief adjudging such practices to be unlawful, unfair, fraudulent, and anticompetitive; as well as monetary relief, including by way of restitution (Cal. Bus. & Prof. Code § 17203) and damages, including treble damages (Cal. Bus. & Prof. Code § 16750) and punitive damages; together with the recovery of costs of suit, including reasonable attorney's fees, costs, and expenses, together with pre- and post-judgment interest to the maximum levels permitted by law;

c. Award Plaintiffs and the proposed Class such other relief as may be available and appropriate under applicable law.

JURY DEMAND

Plaintiffs request a trial by jury of all claims that can be so tried.

Dated: June 20, 2022

Respectfully submitted,

TAJE GILL, **ESTERPHANIE ST. JUSTE**, and **BENJAMIN VALDEZ**, individually and on behalf of all others similarly situated

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