



CITY OF ANN ARBOR, MICHIGAN

301 E. Huron St., P.O. Box 8647, Ann Arbor, Michigan 48107-8647

Phone (734) 794-6170

FAX (734) 994-4954

www.a2gov.org

Office of The City Attorney

May 14, 2014

Lyft, Inc.
Paige Thelen, Lyft Ann Arbor
548 Market Street, #68514
San Francisco, California 94104

Re: Notice to Cease and Desist Unlawful Operations in the City of Ann Arbor, Michigan

Dear Ms. Thelen and Lyft, Inc.:

It has been reported and has been observed that you and Lyft, Inc., its officers and directors (collectively "Lyft") are aiding and abetting the unlawful operation of Lyft vehicles for hire in the City of Ann Arbor.

The City demands that you and Lyft comply with the Michigan Limousine Transportation Act ("the Act") by ceasing and desisting from soliciting persons to sign up with Lyft to operate in the City without requiring them to and ensuring that they comply with the Act. It is incumbent upon you also to inform persons who seek to operate their vehicles as Lyft vehicles that they must comply with the Act and any other federal, state or local laws. All persons and entities involved are advised to consult with their attorneys.

Lyft vehicles, which meet the Act's definition of "limousine," cannot lawfully be operated on Ann Arbor streets without the vehicles and their drivers being in full compliance with the Act.

Lyft, Inc. itself may be subject to the Act as it applies to any entity that holds itself out "either directly or through any device or arrangement" as available to transport persons for hire by limousine. MCL 257.1903(f). Additionally, to our knowledge, Lyft, Inc. does not have a Certificate of Authority to Transact Business or Conduct Affairs in Michigan.

Operating Lyft vehicles without complying with state law may result in citations or arrest for violations of the law that include, but are not limited to, operating without a certificate of authority from the Michigan Department of Transportation ("MDOT"), operating without evidence of insurance as required by the Act, operating a vehicle without displaying a current limousine registration decal, and operating without a chauffeur's license.

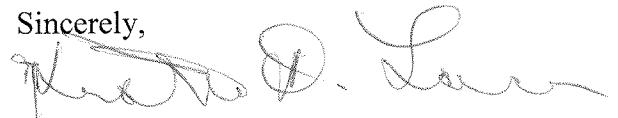
It is important for Lyft and Lyft drivers, and the general public, to understand that these laws exist for the protection of the public. This includes passengers, drivers and anyone else who may suffer injuries resulting from the operation of a Lyft vehicle. The requirement to obtain a certificate of authority from MDOT is intended to decrease the likelihood of physical

injury to members of the public: MDOT will consider the safety record of the company as well as the safety of the Lyft vehicle as determined by an annual inspection. Additionally, a Lyft driver, as the driver of a limousine, is required to keep a current copy of his/her driving record in the Lyft vehicle and make it available for a prospective passenger to view (although the prospective passenger must evaluate for himself or herself whether the person is a safe driver). The insurance requirements, which exceed the requirements for operating a personal vehicle, is intended to protect members of the public from the financial consequences of their injuries. And, MDOT also considers whether there is **financial ability** to provide continuous insurance coverage and the **financial resources** to pay for damage claims.

City of Ann Arbor police officers are authorized to and will enforce the Act. Persons who violate laws applicable to limousines, which includes Lyft vehicles, should be aware that they are subject to fines of up to \$500. Likewise, persons or entities who require or permit a person to drive or operate a limousine in violation of the Act should know that they are subject to a fine of up to \$500 and/or up to 90 days in jail.

Please contact me or have your attorney contact me to inform the City what measures you are taking to ensure full compliance with the law.

Sincerely,



Kristen D. Larcom
Senior Assistant City Attorney

cc: John Seto, Ann Arbor Chief of Police
Steven Powers, Ann Arbor City Administrator
Earth Class Mail Corporation, Lyft Registered Agent
Brian Mackie, Washtenaw County Prosecutor

Also sent via email to support@lyft.com