

Office of the City Attorney

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July 1, 2014

Lyft, Inc. c/o Earth Class Mail Corporation 548 Market Street San Francisco, CA 94104-5401

c/o Registered Agent: Incorporating Services, Ltd. 3500 S. DuPont Hwy Dover, DE 19901

Uber, Inc. c/o Rasier, LLC 182 Howard Street #8 San Francisco, CA 94105

c/o National Registered Agents Inc. 8040 Excelsior Dr. Ste. 200 Madison, WI 53717

RE: Status of Uber and Lyft in Madison

Dear Agents of Uber and Lyft:

Each of your companies has agents offering rides to passengers in Madison. These passengers then make a payment for the ride. This means that you are operating a "public passenger vehicle for hire", more commonly called a taxi service, within sec. 11.06, Madison General Ordinances (MGO). Under the Madison ordinance, you qualify as a taxi service even if the payments made to your drivers/agents are considered tips or a donation.

Despite being asked to do so, your companies have not registered and obtained the required permits to operate in Madison, and your agents do not have the proper licensing. Despite

being issued citations for violations of the ordinance, you and your agents have not complied with Madison's legal requirements for a taxi service.

Our research suggests:

- 1. Lyft, Inc., is not registered to do business in Wisconsin. Uber has registered one of its subsidiaries, Rasier, LLC. Failure to register in Wisconsin may subject a company to a complaint with the State Department of Financial Institutions.
- 2. It does not appear that Uber or Lyft have any offices in the state of Wisconsin.
- 3. Neither Uber nor Lyft inform their drivers/agents of the existence of sec. 342.06(1)(h) and (2) or sec. 342.10(3)(a), Wis. Stats., which require that the title to any vehicle used as a taxicab shall be so noted on the title. Any persons driving for your companies who have failed to do so may be subject to a forfeiture of \$1000, sec. 342.06(3), Wis. Stats.
- 4. Neither Uber nor Lyft inform their drivers/agents as to whether the use of their personal vehicle as a taxicab may impact the availability of automobile insurance or the validity of their warranties.
- 5. Neither Uber nor Lyft comply with other portions of the Madison taxicab ordinance including providing service to all parts of the City at all times, and having in place adequate insurance that is operative at all times.
- 6. Despite sending representatives to a number of meetings of public committees and meetings with covered officials such as the Mayor, neither Uber nor Lyft have complied with the Madison Lobbying Ordinance, sec. 2.40, MGO.

I am well aware that the Madison Common Council may consider modifications to the City's ordinances to allow for a different method of regulating your taxicab companies. Those ordinance changes, however, have not been adopted and may never be adopted. In the meantime, you must comply with our existing ordinances.

Please inform this office within 10 days of the date of this letter as to the exact steps you will take to come into compliance with the City's ordinances. If you fail to do so, the City will determine to take any necessary additional enforcement.

I am sending a copy of this letter to the representatives of Uber and Lyft who have appeared at public meetings in Madison, Wisconsin.

Sincerely,

Michael P. May City Attorney July 1, 2014 Page 3

CC: Mayor Paul Soglin

All Alders

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Keith Pollock

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