

EXHIBIT 1

1 LATHAM & WATKINS LLP
2 Matthew Rawlinson (SBN 231890)
3 140 Scott Drive
4 Menlo Park, California 94025
5 T: (650) 328-4600 / F: (650) 463-2600
6 matthew.rawlinson@lw.com

7 Andrew B. Clubok (*pro hac vice* pending)
8 555 Eleventh Street, NW, Suite 1000
9 Washington, D.C. 20004
10 T: (202) 637-2200 / F: (202) 637-2201
11 andrew.clubok@lw.com

12 Colleen C. Smith (SBN 231216)
13 12670 High Bluff Drive
14 San Diego, California 92130
15 T: (858) 523-5400 / F: (858) 523-5450
16 colleen.smith@lw.com

17 *Attorneys for Nominal Defendant Lyft, Inc. and*
18 *Defendants Logan Green, John Zimmer, Brian*
19 *Roberts, Prashant (Sean) Aggarwal, Jonathan*
20 *Christodoro, Ben Horowitz, Valerie Jarrett, David*
21 *Lawee, Hiroshi Mikitani, Ann Miura-Ko, and Mary*
22 *Agnes (Maggie) Wilderotter*

23 [Additional Counsel on Signature Pages]

24 **UNITED STATES DISTRICT COURT**
25 **NORTHERN DISTRICT OF CALIFORNIA**
26 **OAKLAND DIVISION**

27 IN RE LYFT, INC. DERIVATIVE
28 LITIGATION

29 Lead Case No. 4:20-cv-09257-HSG

30 **STIPULATION OF SETTLEMENT**

31 This Document Relates to:

32 Hon. Haywood S. Gilliam, Jr.

33 ALL ACTIONS

1 This Stipulation of Settlement dated July 23, 2024 (the “Stipulation”), is made and
 2 entered into by and among the following Settling Parties,¹ each by and through their respective
 3 counsel of record: (i) plaintiffs Vishal Mehta, Yao Hong Kok, Ron Chenoy, and Brad Shuman
 4 (collectively, “Plaintiffs”), individually and derivatively on behalf of nominal defendant Lyft,
 5 Inc. (“Lyft” or the “Company”); (ii) Logan Green, John Zimmer, Brian Roberts, Prashant (Sean)
 6 Aggarwal, Jonathan Christodoro, Ben Horowitz, Valerie Jarrett, David Lawee, Hiroshi Mikitani,
 7 Ann Miura-Ko, and Mary Agnes (Maggie) Wilderotter; and (iii) Lyft. This Stipulation is
 8 intended by the Settling Parties to fully, finally, and forever resolve, discharge, and settle the
 9 Released Claims, subject to the terms and conditions set forth herein.

10 **I. FACTUAL AND PROCEDURAL BACKGROUND**

11 Lyft maintains a peer-to-peer marketplace for on-demand ridesharing, representing one of
 12 the largest multimodal transportation networks in the United States and Canada. The derivative
 13 claims arise from allegedly false and misleading statements made in connection with Lyft’s
 14 March 28, 2019 initial public offering.

15 **A. Proceedings in the Related Federal Securities Class Action**

16 On May 17, 2019, Lyft investors filed a securities class action, entitled *In re Lyft, Inc.*
 17 *Securities Litigation*, Lead Case No. 4:19-cv-02690-HSG, in which plaintiffs asserted federal
 18 securities claims against the Company and certain of its current and former officers and directors
 19 before the Honorable Haywood S. Gilliam, Jr. (the “Federal Securities Action”). On
 20 September 8, 2020, the Court granted in part and denied in part defendants’ motions to dismiss
 21 the Federal Securities Action. On August 20, 2021, the Court granted plaintiffs’ motion for class
 22 certification. On February 8, 2022, the parties to the Federal Securities Action informed the
 23 court by letter that they had reached an agreement-in-principle to settle the Federal Securities
 24 Action on a class-wide basis. On December 16, 2022, the Court granted the parties’ motion for
 25 preliminary approval of class action settlement. On August 7, 2023, the Court granted final
 26 approval to the class action settlement. On September 11, 2023, judgment was entered and the
 27 Federal Securities Action was terminated.

28

¹ All capitalized terms not otherwise defined are defined in section V.1.

B. The State Securities Class Action

2 On April 15, 2019, Frederic Lande filed the first complaint in any jurisdiction that alleged
3 securities violations arising out of the Lyft IPO in the Superior Court of the State of California,
4 County of San Francisco. Following this complaint, six additional lawsuits were filed in San
5 Francisco Superior Court on the same subject matter, and were ultimately consolidated with the
6 Lande action (together, the “State Securities Action”). On January 25, 2022, the state court
7 denied Plaintiffs’ motion for class certification and stayed the State Securities Action based on
8 the pendency of the parallel Federal Securities Action. In late 2022, during the settlement
9 approval process for the Federal Securities Action, the plaintiffs in the State Securities Action
10 moved to intervene and opt back into the federal class for the purpose of objecting to the
11 settlement. The Court considered and rejected the State Securities Action plaintiffs’ objections.
12 After settlement of the Federal Securities Action was finally approved, the plaintiffs in the State
13 Securities Action voluntarily dismissed their claims. The State Securities Action was dismissed
14 on October 31, 2023.

C. Proceedings in the Federal Derivative Actions

16 On September 30, 2020, Plaintiff Vishal Mehta filed a shareholder derivative action on
17 behalf of nominal defendant Lyft in the United States District Court for the District of Delaware
18 alleging breaches of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement,
19 waste of corporate assets, and for contribution under Section 11(f) of the Securities Act of 1933
20 (the “Securities Act”), and Section 21D of the Securities Exchange Act of 1934 (“Exchange
21 Act”) against defendants Logan Green, John Zimmer, Brian Roberts, Prashant (Sean) Aggarwal,
22 Ben Horowitz, Valerie Jarrett, David Lawee, Hiroshi Mikitani, Ann Miura-Ko, Mary Agnes
23 (Maggie) Wilderotter, and Jonathan Christodoro captioned *Mehta v. Green*, Case No. 1:20-cv-
24 01326. On December 28, 2020, the Mehta Action was transferred to the Northern District of
25 California, Case No. 4:20-cv-09364 (the “Mehta Action”).

26 On December 21, 2020, Plaintiff Ron Chenoy filed a shareholder derivative action on
27 behalf of nominal defendant Lyft in this Court alleging breaches of fiduciary duty, unjust
28 enrichment, waste of corporate assets, abuse of control, gross mismanagement, and for

1 contribution under Section 11(f) of the Securities Act and Section 21D of the Exchange Act
 2 against defendants John Zimmer, Logan Green, Brian Roberts, Prashant (Sean) Aggarwal, David
 3 Lawee, Hiroshi Mikitani, Ann Miura-Ko, Mary Agnes (Maggie) Wilderotter, Jonathan
 4 Christodoro, Ben Horowitz, and Valerie Jarrett, captioned *Chenoy v. Zimmer*, Case No. 4:20-cv-
 5 09257 (the “Chenoy Action”).

6 On December 21, 2020, Plaintiff Yao Hong Kok filed a shareholder derivative action on
 7 behalf of nominal defendant Lyft in this Court alleging breaches of fiduciary duty, unjust
 8 enrichment and for contribution under Section 11(f) of the Securities Act and Section 21D of the
 9 Exchange Act against defendants Logan Green, John Zimmer, Brian Roberts, Prashant (Sean)
 10 Aggarwal, Ben Horowitz, Valerie Jarrett, David Lawee, Hiroshi Mikitani, Ann Miura-Ko, and
 11 Mary Agnes (Maggie) Wilderotter, and nominal defendant Lyft, captioned *Hong Kok v. Green*,
 12 Case No. 3:20-cv-09272 (the “Hong Kok Action”).

13 On January 4, 2021, the Magistrate Judge Jacqueline Scott Corley consolidated the Mehta
 14 Action, the Hong Kok Action, and the Chenoy Action (ECF No. 9) into the above-captioned *In*
 15 *re Lyft Inc. Derivative Litigation* case (the “Consolidated Derivative Action”) and appointed The
 16 Brown Law Firm, P.C. and Levi & Korsinsky, LLP as Co-Lead Counsel for Plaintiffs in the
 17 Consolidated Derivative Action. On February 17, 2021, at the parties’ joint request, the Court
 18 stayed the case.

19 On February 22, 2021, Plaintiff Brad Shuman filed a shareholder derivative action on
 20 behalf of nominal defendant Lyft in this Court alleging breaches of fiduciary duty and unjust
 21 enrichment, and seeking contribution under Section 11(f) of the Securities Act and Section 21D
 22 of the Exchange Act against Defendants Logan Green, John Zimmer, Brian Roberts, Prashant
 23 Aggarwal, Ann Miura-Ko, Valerie Jarrett, David Lawee, Mary Agnes Wilderotter, Hiroshi
 24 Mikitani, Ben Horowitz, and nominal defendant Lyft, captioned *Shuman v. Green*, Case No.
 25 4:21-cv-01263 (the “Shuman Action”). On March 10, 2021, the Shuman Action was
 26 consolidated for all purposes, including pre-trial proceedings and trial, with the Consolidated
 27 Derivative Action.

28

1 On January 19, 2024, the court lifted the stay of the Consolidated Derivative Action. On
 2 March 26, 2024, Plaintiffs Vishal Mehta, Yao Hong Kok, Ron Chenoy, and Brad Shuman
 3 designated the Verified Shareholder Derivative Complaint filed in the Hong Kok Action on
 4 December 21, 2020, as the operative complaint in the Consolidated Derivative Action.

5 **II. PLAINTIFFS' CLAIMS AND THE BENEFITS OF SETTLEMENT**

6 Plaintiffs believe that the Federal Derivative Actions have substantial merit, and
 7 Plaintiffs' entry into this Stipulation and Settlement is not intended to be and shall not be
 8 construed as an admission or concession concerning the relative strength or merit of the claims
 9 alleged in the Federal Derivative Actions. However, Plaintiffs and Plaintiffs' Counsel recognize
 10 and acknowledge the significant risk, expense, and length of continued proceedings necessary to
 11 prosecute the Federal Derivative Actions against the Individual Defendants through trial and
 12 through possible appeals. Plaintiffs' Counsel also have taken into account the uncertain outcome
 13 and the risk of any litigation, especially in complex cases such as the Federal Derivative Actions,
 14 as well as the difficulties and delays inherent in such litigation. Plaintiffs' Counsel are also
 15 mindful of the inherent problems of establishing standing in derivative litigation, and the
 16 possible defenses to the claims alleged in the Federal Derivative Actions.

17 Plaintiffs' Counsel have conducted extensive investigation and analysis, including, *inter*
 18 *alia*: (i) reviewing Lyft's press releases, public statements, U.S. Securities and Exchange
 19 Commission ("SEC") filings, and securities analysts' reports and advisories about the Company
 20 and its financial condition; (ii) reviewing related media reports about the Company;
 21 (iii) researching applicable law with respect to the claims alleged in the Federal Derivative
 22 Actions and potential defenses thereto; (iv) preparing and filing derivative complaints;
 23 (v) conducting damages analyses; (vi) reviewing and analyzing relevant documents in the
 24 Federal Securities Action and in the State Securities Action; (vii) researching corporate
 25 governance best practices; (viii) researching and preparing correspondence related to the
 26 settlement demands; and (viii) negotiating this Settlement with Defendants. Based on Plaintiffs'
 27 Counsel's thorough review and analysis of the relevant facts, allegations, defenses, and
 28 controlling legal principles, Plaintiffs' Counsel believe that the Settlement set forth in this

1 Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon Lyft. Based
 2 upon Plaintiffs' Counsel's evaluation, Plaintiffs have determined that the Settlement is in the best
 3 interests of Lyft and have agreed to settle the Federal Derivative Actions upon the terms and
 4 subject to the conditions set forth herein.

5 **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

6 Defendants have denied and continue to deny each and all of the claims and contentions
 7 alleged by Plaintiffs in the Federal Derivative Actions. The Individual Defendants have
 8 expressly denied and continue to deny all charges of wrongdoing or liability against them arising
 9 out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged
 10 in the Federal Derivative Actions.

11 Nonetheless, Lyft and the Individual Defendants have concluded that further litigation of
 12 the Federal Derivative Actions would be protracted and expensive, and that it is desirable for the
 13 Federal Derivative Actions to be fully and finally settled in the matter and upon the terms and
 14 conditions set forth in this Stipulation. Defendants have also taken into account the uncertainty
 15 and risks inherent in any litigation, especially in complex cases like the Federal Derivative
 16 Actions. Defendants have, therefore, determined that it is desirable and beneficial that the
 17 Federal Derivative Actions be settled in the manner and upon the terms and conditions set forth
 18 in this Stipulation.

19 Neither this Stipulation, nor any of its terms or provisions, nor entry of the Judgment, nor
 20 any document or exhibit referred or attached to this Stipulation, nor any action taken to carry out
 21 this Stipulation, is, may be construed as, or may be used as evidence of the validity of any of the
 22 Released Claims or an admission by or against the Individual Defendants of any fault,
 23 wrongdoing, or concession of liability whatsoever.

24 **IV. BOARD APPROVAL**

25 The terms of this Stipulation of Settlement, including exhibits hereto, shall be presented
 26 to the Lyft Board of Directors for their review and approval at the next regularly scheduled
 27 Board meeting, currently set for August 20, 2024.

28

1 **V. TERMS OF THE STIPULATION AND AGREEMENT OF SETTLEMENT**

2 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the
 3 undersigned counsel for the Settling Parties herein, in consideration of the benefits flowing to the
 4 parties from the Settlement, and subject to the approval of the Court pursuant to Rule 23.1 of the
 5 Federal Rules of Civil Procedure, that the claims asserted in the Federal Derivative Actions and
 6 the Released Claims shall be finally and fully compromised, settled, and released, and the
 7 Federal Derivative Actions shall be dismissed with prejudice and with full preclusive effect as to
 8 all Settling Parties, upon and subject to the terms and conditions of this Stipulation, as set forth
 9 below.

10 **1. Definitions**

11 As used in this Stipulation, the following terms have the meanings specified below:

12 1.1. “Applicable Lyft Shareholders” means any Person who owned Lyft common
 13 stock as of the date of the execution of this Stipulation and continues to hold their Lyft common
 14 stock as of the date of the Settlement Hearing, excluding the Individual Defendants, the officers
 15 and directors of Lyft, members of their immediate families, and their legal representatives, heirs,
 16 successors, or assigns, and any entity in which Individual Defendants have or had a controlling
 17 interest.

18 1.2. “Board” means Lyft’s Board of Directors.

19 1.3. “Consolidated Derivative Action” means the above-captioned *In re Lyft Inc.*
 20 *Derivative Litigation* case in the Northern District of California, including the actions
 21 consolidated therein.

22 1.4. “Court” means the U.S. District Court for the Northern District of California.

23 1.5. “Defendants” means, collectively, nominal defendant Lyft and the Individual
 24 Defendants.

25 1.6. “Defendants’ Counsel” means Latham & Watkins LLP.

26 1.7. “Effective Date” means the date by which the events and conditions specified in
 27 paragraph 6.1 of this Stipulation have been met and have occurred.

1 1.8. “Federal Derivative Actions” means the derivative actions styled as *Mehta v.*
 2 *Green*, Case No. 1:20-cv-01326 (D. Del.), *Mehta v. Green*, Case No. 4:20-cv-09364 (N.D. Cal.),
 3 *Chenoy v. Zimmer*, Case No. 4:20-cv-09257 (N.D. Cal.), *Hong Kok v. Green*, Case No. 3:20-cv-
 4 09272 (N.D. Cal.), and *Shuman v. Green*, Case No. 4:21-cv-01263 (N.D. Cal.), each
 5 consolidated into the above-captioned Consolidated Derivative Action.

6 1.9. “Federal Securities Action” means the securities class actions styled as *In re Lyft,*
 7 *Inc. Securities Litigation*, Lead Case No. 4:19-cv-02690-HSG (N.D. Cal.).

8 1.10. “Final” means the date upon which the last of the following shall occur with
 9 respect to the Judgment approving this Stipulation, substantially in the form of Exhibit E
 10 attached hereto: (1) the expiration of the time to file a notice of appeal from the Judgment; or
 11 (2) if an appeal has been filed, the court of appeals has either affirmed the Judgment or dismissed
 12 that appeal and the time for any reconsideration or further appellate review has passed; or (3) if a
 13 higher court has granted further appellate review, that court has either affirmed the underlying
 14 Judgment or affirmed the court of appeal’s decision affirming the Judgment or dismissing the
 15 appeal. For purposes of this paragraph, an “appeal” shall not include any appeal that concerns
 16 only the issue of attorneys’ fees and expenses or the payment of service awards to Plaintiffs.
 17 Any proceeding or order, or any appeal or petition for a writ of certiorari pertaining solely to the
 18 application for attorneys’ fees, costs, or expenses, shall not in any way delay or preclude the
 19 Judgment from becoming Final.

20 1.11. “Individual Defendants” means Logan Green, John Zimmer, Brian Roberts,
 21 Prashant (Sean) Aggarwal, Jonathan Christodoro, Ben Horowitz, Valerie Jarrett, David Lawee,
 22 Hiroshi Mikitani, Ann Miura-Ko, and Mary Agnes (Maggie) Wilderotter.

23 1.12. “Judgment” means the Order and Final Judgment to be rendered by the Court,
 24 substantially in the form attached hereto as Exhibit E.

25 1.13. “Notice” means the Notice of Pendency and Proposed Settlement of Shareholder
 26 Derivative Action, substantially in the form attached hereto as Exhibit C.

27 1.14. “Person” means an individual, corporation, limited liability corporation,
 28 professional corporation, partnership, limited partnership, limited liability partnership,

1 association, joint stock company, estate, legal representative, trust, unincorporated association,
 2 government or any political subdivision or agency thereof and any business or legal entity and
 3 their spouses, heirs, predecessors, successors, representatives, or assignees.

4 1.15. “Plaintiffs” means Vishal Mehta, Yao Hong Kok, Ron Chenoy, and Brad
 5 Shuman.

6 1.16. “Plaintiffs’ Co-Lead Counsel” means Levi & Korsinsky, LLP and The Brown
 7 Law Firm, P.C.

8 1.17. “Plaintiffs’ Counsel” means Plaintiffs’ Co-Lead Counsel and The Rosen Law
 9 Firm, P.A.

10 1.18. “Preliminary Approval Order” means the order to be entered by the Court,
 11 substantially in the form attached hereto as Exhibit B, which preliminarily approves the terms
 12 and conditions of the Settlement as set forth in this Stipulation, directing that notice of the
 13 Settlement be provided to Applicable Lyft Shareholders, and scheduling a Settlement Hearing to
 14 consider whether the Settlement and all of its terms should be finally approved.

15 1.19. “Lyft” or the “Company” means nominal defendant Lyft, Inc., a Delaware
 16 corporation, and its affiliates, subsidiaries, predecessors, successors, and assigns.

17 1.20. “Related Persons” means: (i) with regard to each Individual Defendant, the
 18 Individual Defendants’ spouses, marital communities, immediate family members, heirs,
 19 executors, personal representatives, estates, administrators, trusts, predecessors, successors, and
 20 assigns or other individual or entity in which any Individual Defendant has a controlling interest,
 21 and each and all of their respective past and present officers, directors, employees, agents,
 22 affiliates, parents, subsidiaries divisions, attorneys, accountants, auditors, advisors, insurers, co-
 23 insurers, re-insurers, heirs, executors, personal representatives, estates, administrators, trusts,
 24 predecessors, successors, and assigns; and (ii) with regard to Lyft, all past or present agents,
 25 officers, directors, attorneys, accountants, auditors, advisors, insurers, co-insurers, reinsurers,
 26 partners, controlling shareholders, joint venturers, related or affiliated entities, advisors,
 27 employees, affiliates, predecessors, successors, parents, subsidiaries, insurers, and assigns for
 28 Lyft.

1 1.21. “Released Claims” means any and all actions, suits, claims, debts, rights,
 2 liabilities, and causes of action, whether under federal, state, local, statutory, common law,
 3 foreign law, or any other law, rule or regulation, including both known and Unknown Claims (as
 4 defined in paragraph 1.26 below), that: (a) were asserted or could have been asserted by any
 5 shareholder derivatively on behalf of Lyft, or by Lyft, against any Released Person; and
 6 (b) concern, arise out of, or relate to (i) the allegations asserted in the Federal Derivative Actions
 7 or the matters and occurrences that were alleged in the Federal Derivative Actions, or (ii) the
 8 Settlement, defense or resolution of the Federal Derivative Actions, except for any claims to
 9 enforce the Settlement. Excluded from the term “Released Claims” are all claims alleged in the
 10 Federal Securities Action and the State Securities Action.

11 1.22. “Released Persons” means collectively, Lyft, the Individual Defendants, and their
 12 Related Persons. “Released Person” means, individually, any of the Released Persons.

13 1.23. “Releasing Persons” means Plaintiffs (individually, collectively, and derivatively
 14 on behalf of Lyft), all other Applicable Lyft Shareholders, Plaintiffs’ Counsel, and Lyft.
 15 “Releasing Person” means, individually, any of the Releasing Persons.

16 1.24. “Settlement” means the settlement and compromise of the Federal Derivative
 17 Actions as provided for herein.

18 1.25. “Settlement Hearing” means the hearing or hearings at which the Court will
 19 review the adequacy, fairness, and reasonableness of the Settlement.

20 1.26. “Settling Parties” means, collectively, each and all of the Plaintiffs (on behalf of
 21 themselves and derivatively on behalf of Lyft), Lyft, and the Individual Defendants.

22 1.27. “Settling Party” means, individually, any of the Settling Parties.

23 1.28. “State Securities Action” means the securities class actions styled as *In re Lyft,*
 24 *Inc. Securities Litigation* in the Superior Court of the State of California, County of San
 25 Francisco, Lead Case No. CGC-19-575293 (Cal. Sup. Ct.).

26 1.29. “Summary Notice” means the Summary Notice of Pendency and Proposed
 27 Settlement of Shareholder Derivative Action, substantially in the form attached hereto as
 28 Exhibit D.

1 1.30. “Unknown Claims” means any Released Claim(s) which Plaintiffs or Defendants
 2 do not know of or suspect to exist in his, her, or its favor at the time of the release of the
 3 Released Persons. With respect to any and all Released Claims, the Settling Parties agree that
 4 upon the Effective Date, the Settling Parties expressly waive the provisions, rights and benefits
 5 conferred by or under California Civil Code section 1542, or any other law of the United States
 6 or any state or territory of the United States, or principle of common law, which is similar,
 7 comparable, or equivalent to section 1542, which provides:

8 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS
 9 THAT THE CREDITOR OR RELEASING PARTY DOES NOT
 10 KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT
 11 THE TIME OF EXECUTING THE RELEASE AND THAT, IF
 12 KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY
 13 AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
 14 OR RELEASED PARTY.

15 The Settling Parties acknowledge that they may hereafter discover facts in addition to or
 16 different from those now known or believed to be true by them, with respect to the subject matter
 17 of the Released Claims, but it is the intention of the Settling Parties to completely, fully, finally,
 18 and forever compromise, settle, release, discharge, and extinguish any and all Released Claims,
 19 known or unknown, suspected or unsuspected, contingent or absolute, accrued or unaccrued,
 20 apparent or unapparent, which do now exist, or heretofore existed, or may hereafter exist, and
 21 without regard to the subsequent discovery of additional or different facts. The Settling Parties
 22 acknowledge that the foregoing waiver was separately bargained for and is a key element of this
 23 Stipulation of which this release is a part.

24 **2. Terms of the Settlement**

25 2.1. As a result of the filing, prosecution, and settlement of the Federal Derivative
 26 Actions, Lyft shall, within forty-five (45) calendar days after the Effective Date, formally
 27 express, expand upon, and/or implement and maintain in substance the corporate governance
 28 reforms identified in Exhibit A attached hereto for a period of not less than three (3) years after
 29 the Effective Date. Lyft and the Individual Defendants acknowledge and agree that the corporate
 30 governance reforms identified in Exhibit A attached hereto are significant and extensive and

1 confer substantial benefits upon Lyft and its shareholders. Lyft and the Individual Defendants
 2 also acknowledge that the prosecution and settlement of the Federal Derivative Actions was a
 3 substantial and material factor in the Company's decision to adopt and/or implement the
 4 corporate governance reforms set forth in Exhibit A.

5 **3. Approval and Notice**

6 3.1. Promptly after execution, the Settling Parties shall submit this Stipulation
 7 together with its exhibits to the Court and shall jointly apply for entry of an order (the
 8 "Preliminary Approval Order"), substantially in the form of Exhibit B attached hereto,
 9 requesting: (i) preliminary approval of the Settlement set forth in this Stipulation;
 10 (ii) approval of the form and manner of providing notice of the Settlement to Applicable Lyft
 11 Shareholders; and (iii) a date for the Settlement Hearing, pursuant to Rule 23.1 of the
 12 Federal Rules of Civil Procedure.

13 3.2. Notice to Applicable Lyft Shareholders shall consist of a Notice of
 14 Pendency and Proposed Settlement of Shareholder Derivative Action ("Notice"), which
 15 includes the general terms of the Settlement set forth in this Stipulation and the date of the
 16 Settlement Hearing, substantially in the form attached hereto as Exhibit C, as well as a
 17 Summary Notice of Pendency and Proposed Settlement of Shareholder Derivative Action
 18 ("Summary Notice"), substantially in the form attached hereto as Exhibit D.

19 3.3. Except as otherwise provided in this paragraph, Lyft shall undertake the
 20 administrative responsibility for giving notice to Applicable Lyft Shareholders. Lyft shall be
 21 solely responsible for paying or causing to be paid the costs and expenses related to providing
 22 such notice to its shareholders without exception. Within fifteen (15) business days after the
 23 entry of the Preliminary Approval Order: (i) Lyft shall publish the Summary Notice one time in
 24 the national edition of *Investor's Business Daily*; (ii) Plaintiffs' Counsel shall publish the
 25 Summary Notice one time over *PR Newswire*; and (iii) Lyft shall post the Stipulation (and
 26 exhibits thereto) and Notice on an internet page that Lyft shall create for this purpose, which
 27 shall be accessible via a link on the "Investors" page of Lyft's website through the date of the
 28 Settlement Hearing, the address of which shall be contained in the Notice and Summary Notice.

1 The Settling Parties believe the content and manner of the notice, as set forth in this paragraph,
 2 constitute adequate and reasonable notice to Lyft shareholders pursuant to applicable law and
 3 due process. At least twenty-one (21) calendar days prior to the Settlement Hearing,
 4 Defendants' Counsel shall file with the Court an appropriate affidavit or declaration with respect
 5 to publishing and posting the Notice and Summary Notice.

6 3.4. Pending the Court's determination as to final approval of the Settlement, Plaintiffs
 7 are barred and enjoined from commencing, prosecuting, instigating, or in any way participating
 8 in the commencement or prosecution of any action asserting any Released Claim against any of
 9 the Released Persons.

10 **4. Attorneys' Fees and Reimbursement of Expenses**

11 4.1. In recognition of the substantial benefits conferred upon Lyft as a direct result of
 12 the prosecution and Settlement of the Federal Derivative Actions, and subject to Court approval,
 13 the Individual Defendants shall cause their insurers to pay Plaintiffs' Counsel the agreed-to
 14 amount of \$700,000 (the "Fee and Expense Amount"). The Fee and Expense Amount shall
 15 constitute final and complete payment for Plaintiffs' attorneys' fees and expenses that have been
 16 incurred or will be incurred in connection with the Federal Derivative Actions. Within thirty
 17 (30) calendar days of the date of entry of the Preliminary Approval Order and The Brown Law
 18 Firm, P.C.'s provision of Automated Clearing House ("ACH") instructions and W-9 form,
 19 whichever is later, Defendants' insurers shall pay the Fee and Expense Amount to The Brown
 20 Law Firm, P.C.'s (the "Escrow Agent") escrow account (the "Escrow Account"), which amount,
 21 to the extent approved by the Court, shall be released by the Escrow Agent from the Escrow
 22 Account once the Court enters the Judgment and an order approving the Fee and Expense
 23 Amount, notwithstanding the existence of any timely filed objections thereto, or potential for
 24 appeal therefrom, or collateral attack on the settlement or any part thereof.

25 4.2. The Settling Parties further stipulate that Plaintiffs' Counsel may apply to the
 26 Court for a service award of up to \$1,500 for each of the Plaintiffs, only to be paid upon Court
 27 approval, and to be paid from the Fee and Expense Amount in recognition of Plaintiffs'
 28 participation and effort in the prosecution of the Federal Derivative Actions. The failure of the

1 Court to approve any requested service award, in whole or in part, shall have no effect on the
 2 Settlement. Neither Lyft nor any of the Individual Defendants shall be liable for any portion of
 3 any service award.

4 4.3. In the event that the Judgment fails to become Final, or to the extent that the
 5 Court does not approve Plaintiffs' Counsel's application for an award of attorneys' fees and costs
 6 in the full amount of the Fee and Expense Amount, or to the extent the Fee and Expense Amount
 7 is reduced as the result of an appeal, Plaintiffs' Counsel must refund the Fee and Expense
 8 Amount to the extent it is denied or reduced to the Individual Defendants' insurers within thirty
 9 (30) calendar days from receiving notice from Defendants' Counsel or from a court of
 10 appropriate jurisdiction.. Plaintiffs' Counsel, as a condition of receiving any part of the Fee and
 11 Expense Amount, on behalf of themselves and each partner and/or shareholder of them, agrees
 12 that Plaintiffs' Counsel and their partners and/or shareholders are subject to the jurisdiction of
 13 the Court for the purpose of enforcing the provisions of this paragraph.

14 4.4. Defendants shall have no responsibility for, and no liability whatsoever with
 15 respect to, the allocation of the Fee and Expense Amount among Plaintiffs' Counsel and/or to
 16 any other person who may assert some claim thereto, except as otherwise agreed to in writing.

17 **5. Releases**

18 5.1. Upon the Effective Date, the Releasing Persons shall be deemed to have fully,
 19 finally, and forever released, relinquished, and discharged the Released Claims (including
 20 Unknown Claims) against the Released Persons and any and all derivative claims arising out of,
 21 relating to, or in connection with the defense, settlement, or resolution of the Federal Derivative
 22 Actions against the Released Persons. Nothing herein shall in any way impair or restrict the
 23 rights of any Settling Party to enforce the terms of this Stipulation.

24 5.2. Except as set forth in paragraph 5.3, below, upon the Effective Date, Lyft and
 25 each of the Individual Defendants and their Related Persons shall be deemed to have fully,
 26 finally, and forever released, relinquished, and discharged Plaintiffs and Plaintiffs' Counsel and
 27 their Related Persons from all claims (including claims related to Unknown Claims), arising out
 28 of, relating to, or in connection with the institution, prosecution, assertion, settlement, or

1 resolution of the Federal Derivative Actions or the Released Claims. Nothing herein shall in any
 2 way impair or restrict the rights of any Settling Party to enforce the terms of this Stipulation.

3 5.3. Nothing in this Stipulation or in paragraph 5.2 above constitutes or reflects a
 4 waiver or release of any rights or claims of Defendants against their insurers, or their insurers'
 5 subsidiaries, predecessors, successors, assigns, affiliates, or representatives, including, but not
 6 limited to, any rights or claims of Defendants under any directors' and officers' liability
 7 insurance or other applicable insurance coverage maintained by the Company. Nothing in this
 8 Stipulation or in paragraph 5.2 above constitutes or reflects a waiver or release of any rights or
 9 claims of the Individual Defendants relating in any way to indemnification, whether under any
 10 written indemnification or advancement agreement, or under the Company's charter, by-laws, or
 11 under applicable law.

12 **6. Conditions of Settlement; Effect of Disapproval, Cancellation, or**
 13 **Termination**

14 6.1. The Effective Date shall be conditioned on the occurrence of all of the following
 15 events:

- 16 (a) Board approval of the Settlement;
- 17 (b) Court entry of the Preliminary Approval Order;
- 18 (c) Court approval of the method of providing the Notice and Summary
 19 Notice of the Stipulation and Proposed Settlement to Applicable Lyft Shareholders, as set forth
 20 in paragraphs 3.2 and 3.3, and as required by Rule 23.1 of the Federal Rules of Civil Procedure;
- 21 (d) final approval of the Settlement by the Court following notice to
 22 Applicable Lyft Shareholders and the Settlement Hearing contemplated by the Stipulation;
- 23 (e) Court entry of the Judgment, in all material respects in the form set forth
 24 as Exhibit E annexed hereto, approving the Settlement and dismissing with prejudice the
 25 Consolidated Derivative Action, without awarding costs to any Party, except as provided herein;
- 26 (f) payment of the Fee and Expense Amount in accordance with paragraph 4;
- 27 (g) the passing of the date upon which the Judgment becomes Final; and
- 28 (h) Court issuance of an order dismissing the Federal Derivative Actions with

1 prejudice.

2 6.2. If any of the conditions specified above in paragraph 6.1 are not met, then this
 3 Stipulation shall be canceled and terminated subject to paragraph 6.3, unless counsel for the
 4 Settling Parties mutually agree in writing to proceed with this Stipulation.

5 6.3. If for any reason the Effective Date does not occur, or if this Stipulation is in any
 6 way canceled, terminated or fails to become Final in accordance with its terms, then: (a) all
 7 Settling Parties and Released Persons shall be restored to their respective positions in the Federal
 8 Derivative Actions as of July 23, 2024; (b) all releases delivered in connection with this
 9 Stipulation shall be null and void, except as otherwise provided for in this Stipulation; (c) the Fee
 10 and Expense Amount paid to Plaintiffs' Counsel shall be refunded and returned within thirty (30)
 11 calendar days; and (d) all negotiations, proceedings, documents prepared, and statements made
 12 in connection herewith shall be without prejudice to the Settling Parties, shall not be deemed or
 13 construed to be an admission by a Settling Party of any act, matter, or proposition, and shall not
 14 be used in any manner for any purpose in any subsequent proceeding in the Federal Derivative
 15 Actions or in any other action or proceeding. In such event, the terms and provisions of this
 16 Stipulation shall have no further force and effect with respect to the Settling Parties and shall not
 17 be used in the Federal Derivative Actions or in any other proceeding for any purpose.

18 **7. Miscellaneous Provisions**

19 7.1. The Settling Parties: (a) acknowledge that it is their intent to consummate this
 20 Stipulation; and (b) agree to act in good faith and cooperate to take all reasonable and necessary
 21 steps to expeditiously implement the terms and conditions of this Stipulation.

22 7.2. In the event that any part of the Settlement is found to be unlawful, void,
 23 unconscionable, or against public policy by a court of competent jurisdiction, the remaining
 24 terms and conditions of the Settlement shall remain intact.

25 7.3. The Settling Parties intend this Settlement to be a final and complete resolution of
 26 all disputes between them with respect to the Federal Derivative Actions. The Settlement
 27 comprises claims that are contested and shall not be deemed an admission by any Settling Party
 28 as to the merits of any claim, allegation, or defense. The Settling Parties and their respective

1 counsel agree that at all times during the course of the litigation, each has complied with the
 2 requirements of the applicable laws and rules of the Court, including, without limitation, Rule 11
 3 of the Federal Rules of Civil Procedure, and section 128.7 of the California Code of Civil
 4 Procedure.

5 7.4. Each of the Individual Defendants expressly denies and continues to deny all
 6 allegations of wrongdoing or liability against himself or herself arising out of any conduct,
 7 statements, acts, or omissions alleged, or which could have been alleged, in the Federal
 8 Derivative Actions. The existence of the provisions contained in this Stipulation shall not be
 9 deemed to prejudice in any way the respective positions of the Settling Parties with respect to the
 10 Federal Derivative Actions, shall not be deemed a presumption, a concession, or admission by
 11 any of the Settling Parties of any fault, liability, or wrongdoing as to any facts, claims, or
 12 defenses that have been or might have been alleged or asserted in the Federal Derivative Actions
 13 or with respect to any of the claims settled in the Federal Derivative Actions, or any other action
 14 or proceeding, and shall not be interpreted, construed, deemed, invoked, offered, or received in
 15 evidence or otherwise used by any person in the Federal Derivative Actions, or in any other
 16 action or proceeding, except for any litigation or judicial proceeding arising out of or relating to
 17 this Stipulation or the Settlement whether civil, criminal, or administrative, for any purpose other
 18 than as provided expressly herein.

19 7.5. This Stipulation may be modified or amended only by a writing signed by the
 20 signatories hereto.

21 7.6. This Stipulation shall be deemed drafted equally by all the Settling Parties.

22 7.7. No representations, warranties, or inducements have been made to any of the
 23 Parties concerning this Stipulation or its exhibits other than the representations, warranties, and
 24 covenants contained and memorialized in such documents.

25 7.8. Each counsel or other Person executing this Stipulation or its exhibits on behalf of
 26 any of the Settling Parties hereby warrants that such Person has the full authority to do so.

27 7.9. The exhibits to this Stipulation are material and integral parts hereof and are fully
 28 incorporated herein by this reference.

1 7.10. This Stipulation and the exhibits attached hereto constitute the entire agreement
2 among the Settling Parties with respect to the subject matter hereof and supersede all prior and
3 contemporaneous oral and written agreements and discussions, except as to any written
4 agreement that includes a provision pertaining to allocation of attorneys' fees and expenses to
5 Plaintiffs' Counsel.

6 7.11. In the event that there exists a conflict or inconsistency between the terms of this
7 Stipulation and the terms of any exhibit hereto, the terms of this Stipulation shall prevail.

8 7.12. This Stipulation may be executed in one or more counterparts, including by
9 signature transmitted by e-mailed PDF files. Each counterpart, when so executed, shall be
10 deemed to be an original, and all such counterparts together shall constitute the same instrument.

11 7.13. This Stipulation shall be considered to have been negotiated, executed and
12 delivered, and to be wholly performed, in the State of California, and the rights and obligations
13 of the parties to this Stipulation shall be construed and enforced in accordance with, and
14 governed by, the internal, substantive laws of the State of California without giving effect to that
15 State's choice of law principles.

16 7.14. The Court shall retain jurisdiction with respect to implementation and
17 enforcement of the terms of this Stipulation, and the Settling Parties and their counsel submit to
18 the jurisdiction of the Court solely for purposes of implementing and enforcing the
19 Settlement embodied in this Stipulation.

20 IN WITNESS WHEREOF, the Settling Parties have caused this Stipulation to be
21 executed by their duly authorized attorneys.

22

23

24

25

26

27

28

1 IT IS SO STIPULATED.

2 Dated: July 23, 2024

3 **THE BROWN LAW FIRM, P.C.**

4 /s/ Timothy Brown

5 Timothy Brown
6 767 Third Avenue, Suite 2501
7 New York, NY 11771
8 Telephone: (516) 922-5427
9 Facsimile: (516) 344-6204
10 Email: tbrown@thebrownlawfirm.net

11 *Co-Lead Counsel for Plaintiffs*

12 **LEVI & KORSINSKY, LLP**

13 /s/ Gregory M. Nespole

14 Gregory M. Nespole
15 33 Whitehall Street, 17th Floor
16 New York, New York 10004
17 Telephone: 212.363.7500
18 Facsimile: 212.363.7171
19 Email: gnespole@zlk.com

20 Adam Apton
21 1160 Battery Street East, Suite 100 -
22 #3425
23 San Francisco, CA 94111
24 Telephone: 415-373-1671
25 Facsimile: 415-484-1294
26 Email: aapton@zlk.com

27 *Co-Lead Counsel for Plaintiffs*

28 **THE ROSEN LAW FIRM, P.A.**

29 Laurence M. Rosen, SBN 219683
30 355 South Grand Avenue, Suite 2450
31 Los Angeles, CA 90071
32 Telephone: (213) 785-2610
33 Facsimile: (213) 226-4684
34 Email: lrosen@rosenlegal.com

35 *Additional Counsel for Plaintiffs*

36 Respectfully submitted,

37 **LATHAM & WATKINS LLP**

38 /s/ Colleen C. Smith

39 Colleen C. Smith (CA Bar. No. 231216)
40 12670 High Bluff Drive
41 San Diego, CA 92130
42 T: (858) 523-5400 / F: (858) 523-5450
43 colleen.smith@lw.com

44 Andrew B. Clubok (*pro hac vice* pending)
45 555 Eleventh Street, NW, Suite 1000
46 Washington, D.C. 20004
47 T: (202) 637-2200 / F: (202) 637-2201
48 andrew.clubok@lw.com

49 Matthew Rawlinson (SBN 231890)

50 140 Scott Drive
51 Menlo Park, California 94025
52 T: (650) 328-4600 / F: (650) 463-2600
53 matthew.rawlinson@lw.com

54 *Attorneys for Nominal Defendant Lyft,
55 Inc., and Defendants Logan Green, John
56 Zimmer, Brian Roberts, Prashant (Sean)
57 Aggarwal, Jonathan Christodoro, Ben
58 Horowitz, Valerie Jarrett, David Lawee,
59 Hiroshi Mikitani, Ann Miura-Ko, and
60 Mary Agnes Wilderotter*

1 **SIGNATURE ATTESTATION**

2 I, Gregory M. Nespole, am the ECF User whose ID and password are being used to file
3 this Stipulation of Settlement. In compliance with Civil L.R. 5-1(i), I hereby attest that
4 concurrence in the filing of this document has been obtained from each of the other signatories.

5 Dated: July 23, 2024

6 By: /s/ Gregory M. Nespole

7 Gregory M. Nespole

8 * * *

9

10 **IT IS SO ORDERED.**

11

12 Dated: _____

13 _____
14 The Honorable Haywood S. Gilliam, Jr.
15 UNITED STATES DISTRICT COURT JUDGE

16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT A

PROPOSED CORPORATE GOVERNANCE ENHANCEMENTS

The corporate governance reforms set forth below (“Reforms”) will improve the functioning of Lyft, Inc. (“the Company” or “Lyft”) and convey to investors that they can invest in the Company with confidence. Among other things, since the time of the filing of the Complaints, the Company has made significant company-wide reforms, and commits to substantively maintaining or expanding upon the Reforms (or their functional equivalents) for a period of not less than three (3) years.

A. Compliance and Ethics Hotline

1. The Company shall post a link to its Compliance and Ethics Hotline on the Company’s website within 90 days of final approval of the Settlement.

B. Enhanced Clawback Policy

On October 2, 2023, the Company substantially amended its Clawback Policy to include robust provisions providing for recoupment in the event of material negative restatements. The Company intends to maintain the Clawback Policy going forward. The recent improvements to the Clawback Policy are as follows:

1. Application. The Clawback Policy is binding and enforceable against all Executive Officers. It applies to all incentive-based compensation that is received on or after October 2, 2023, by executive officers.
2. Triggering Event. The Clawback Policy applies if the Company is required to prepare an accounting restatement due to the material noncompliance with any financial reporting requirement under the securities laws.
3. Consequences. If the Clawback Policy applies, the Company will recover reasonably promptly the excess compensation by requiring the executive officer to repay such amount to the Company. Lyft’s Board Compensation Committee may determine the appropriate means of repayment, including but not limited to:
 - a. Seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards;
 - b. Offsetting the amount to be recovered from any compensation otherwise owed by the Company to the executive officer, whether earned before or after the date of the foregoing determination and whether earned pursuant to employment or under a severance, consulting or other post-employment agreement or arrangement;
 - c. Cancelling outstanding vested or unvested equity awards;
 - d. Requiring reimbursement of previously-paid cash compensation; and/or

- e. Taking any other remedial and recovery action permitted by law, as determined by the Committee.
4. Sharing of the Clawback Policy. All executives will be required to sign and acknowledge the Clawback Policy.
5. Determinations under the Clawback Policy. The Board and Compensation Committee each are authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy.

C. Training in Compliance and Safety

1. The membership of the Company's Culture of Ethics and Compliance Committee ("CECC") shall be enhanced to include the Company's Vice President, Safety and Customer Care (or future equivalent leader of user safety) as a standing member of the CECC, which will add another strong voice for driver and user safety on the CECC.

D. Raising Awareness of Safety Features

To raise awareness of the safety initiatives that the Company has already undertaken, the Company has made, and will continue to make, efforts to share safety features and products with riders and drivers in order to enhance their efficacy.

1. Alert 911 Silently Feature. The Company has enhanced awareness and publicization of the feature allowing riders and drivers to contact trained security professionals with ADT silently through the Lyft app and request that they alert 911. The Company made blog posts targeted at both riders¹ and drivers² to make sure both groups were aware of this important safety feature.
2. Safety Phone Calls. In addition to the alert 911 silently feature, the Company also enhanced awareness and publicization of real-time 24/7 safety support from a live human via phone call. Riders and drivers were made aware of the feature through enhancements to Lyft's website.³
3. Further Publicization of Safety Features. Over the next twelve (12) months, Lyft will make at least one additional post on its blog (<https://www.lyft.com/blog>) highlighting key in-app safety features available to riders and drivers.

¹ Lyft, Lyft News, *Lyft Welcomes ADT to Safety Advisory Council* (Aug. 17, 2022), <https://www.lyft.com/blog/posts/lyft-welcomes-adt-to-safety-advisory-council>

² Lyft, The Driver Blog, *Get Up to Speed on Your Latest Safety Features* (July 1, 2021), <https://www.lyft.com/hub/posts/safety-features-for-drivers-lyft>.

³ E.g., Lyft, Safety, *Safety for all means looking out for our riders*, <https://www.lyft.com/safety/rider#help-from-real-humans>.

E. Improvements to Code of Business Conduct and Ethics

On October 26, 2021, the Company amended and restated its Code of Business Conduct and Ethics to include further guidance to employees about the seriousness of the provisions stated therein. The improvements to the Code of Business Conduct and Ethics are as follows:

1. Purpose. The Code of Business Conduct and Ethics specifies that it provides a “set of minimum requirements” for employees, and that each employee is expected to maintain high ethical standards and uphold all applicable Lyft policies.
2. Legal guidance. Employees are encouraged to speak with members of the Lyft legal team if they have any questions about their compliance with or obligations under the Code of Business Conduct and Ethics.

F. Improvements to Charter of the Compensation Committee

On July 25, 2023, the Company amended and restated its Compensation Committee Charter to specify the duties of the Compensation Committee, as they relate to changes in compensation, the Company’s Clawback Policy, and hiring strategies, including diversity and inclusion efforts. The recent improvements to the Compensation Committee Charter are as follows:

1. Changes in employment and compensation. The Compensation Committee shall evaluate compensation for independent directors, and make recommendations regarding compensation. The Compensation Committee also has the power to adopt, amend, and terminate compensatory contracts, as long as the independent members of the Lyft Board provide approval for termination or material amendments.
2. Clawback Policy. The Compensation Committee has the power to review, approve, and administer the Clawback Policy for executive compensation.
3. Hiring strategies. The Compensation Committee oversees and monitors Company strategies related to hiring, including employee diversity and inclusion and corporate culture.

G. Improvements to Corporate Governance Guidelines

On October 26, 2023, the Company amended and restated its Corporate Governance Guidelines to specify limitations on executive director board membership, director training, and leadership development. The recent improvements to the Corporate Governance Guidelines are as follows:

1. Membership on other boards. Executive directors of Lyft may not sit on more than one additional public company board without the approval of the Lyft Board.
2. Director training. Independent directors may seek reimbursement for director education expenses related to their service on the Lyft Board and any Lyft Board committees.

3. Leadership development. The Board oversees and plans for leadership succession, including by discussing changes with the Compensation Committee. The Board is also responsible for leadership development planning, and oversees individualized planning.

EXHIBIT B

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

IN RE LYFT, INC. DERIVATIVE
LITIGATION

| Lead Case No. 4:20-cv-09257-HSG

[PROPOSED] PRELIMINARY APPROVAL ORDER

EXHIBIT B

Hon. Haywood S. Gilliam, Jr.

This Document Relates to:

ALL ACTIONS

1 This matter came before the Court for a hearing on _____, 2024. Plaintiffs have
 2 made an unopposed motion, pursuant to Rule 23.1 of the Federal Rules of Civil Procedure, for an
 3 order: (i) preliminarily approving the proposed settlement (“Settlement”) of shareholder
 4 derivative claims, in accordance with the Stipulation of Settlement dated July 23, 2024 (the
 5 “Stipulation”); and (ii) approving the form and manner of the Notice of the Settlement.¹

6 WHEREAS, the Stipulation sets forth the terms and conditions for the Settlement,
 7 including, but not limited to a proposed Settlement and dismissal of the following shareholder
 8 derivative actions with prejudice as to the Released Persons: (i) the above-captioned action, titled
 9 *In re Lyft Inc. Derivative Litigation*, Case No. 4:20-cv-09257 (N.D. Cal.) (formerly captioned
 10 *Chenoy v. Zimmer*, Case No. 4:20-cv-09257 (N.D. Cal.)); (ii) *Mehta v. Green*, Case No. 4:20-cv-
 11 09364 (N.D. Cal.); (iii) *Hong Kok v. Green*, Case No. 3:20-cv-09272; and (iv) *Shuman v. Green*,
 12 Case No. 4:21-cv-01263 (N.D. Cal.) (collectively, the “Federal Derivative Actions”);

13 WHEREAS, the Court having: (i) read and considered Plaintiffs’ Unopposed Motion for
 14 Preliminary Approval of Shareholder Derivative Settlement together with the accompanying
 15 Memorandum of Points and Authorities; (ii) read and considered the Stipulation, as well as all
 16 the exhibits attached thereto; and (iii) heard and considered arguments by counsel for the Settling
 17 Parties in favor of preliminary approval of the Settlement;

18 WHEREAS, the Court finds, upon a preliminary evaluation, that the proposed Settlement
 19 falls within the range of possible approval criteria, as it provides a beneficial result for Lyft and
 20 appears to be the product of serious, informed, non-collusive negotiations between the Settling
 21 Parties; and

22 WHEREAS, the Court also finds, upon a preliminary evaluation, that Lyft shareholders
 23 should be apprised of the Settlement through the proposed form of notice, allowed to file
 24 objections, if any, thereto, and appear at the Settlement Hearing.

25

26

27

¹ Except as otherwise expressly provided below or as the context otherwise requires, all capitalized terms contained herein shall have the same meanings and/or definitions as set forth in the Stipulation.

1 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS
 2 FOLLOWS:

3 1. This Court, for purposes of this Preliminary Approval Order, adopts the
 4 definitions set forth in the Stipulation.

5 2. This Court preliminarily approves, subject to further consideration at the
 6 Settlement Hearing described below, the Settlement as set forth in the Stipulation as
 7 being fair, reasonable, and adequate.

8 3. A hearing shall be held on _____, 2024 at _____.m., before the Honorable
 9 Haywood S. Gilliam, Jr., at the U.S. District Court for the Northern District of California,
 10 Oakland Courthouse, Courtroom 2, 4th Floor, 1301 Clay Street, Oakland, California 94612 (the
 11 “Settlement Hearing”), at which the Court will determine: (i) whether the terms of the
 12 Stipulation should be approved as fair, reasonable, and adequate; (ii) whether the notice of the
 13 Settlement fully satisfied the requirements of Rule 23.1 of the Federal Rules of Civil Procedure
 14 and the requirements of due process; (iii) whether all Released Claims against the Released
 15 Persons should be fully and finally released; (iv) whether the agreed-to Fee and Expense Amount
 16 should be approved; and (v) such other matters as the Court may deem appropriate.

17 4. The Court finds that the form, substance, and dissemination of information
 18 regarding the proposed Settlement in the manner set out in this Preliminary Approval Order
 19 constitutes the best notice practicable under the circumstances and complies fully with Rule 23.1
 20 of the Federal Rules of Civil Procedure and due process.

21 5. Within fifteen (15) business days after the entry of this Preliminary Approval
 22 Order: (i) Lyft shall publish the Summary Notice one time in the national edition of *Investor’s*
 23 *Business Daily*; (ii) Plaintiffs’ Counsel shall publish the Summary Notice one time over
 24 *PR Newswire*; and (iii) Lyft shall post the Stipulation (and exhibits thereto) and Notice on an
 25 internet page that Lyft shall create for this purpose, which shall be accessible via a link on the
 26 “Investors” page of Lyft’s website through the date of the Settlement Hearing, the address of
 27 which shall be contained in the Notice and Summary Notice.

28

1 6. Except as otherwise provided in the preceding paragraph, Lyft shall undertake all
2 administrative responsibility for the publication and posting of the Notice and Summary Notice.
3 All costs incurred in the publication and posting of the Notice and Summary Notice shall be paid
4 by or on behalf of Lyft without exception.

5 7. At least twenty-one (21) calendar days prior to the Settlement Hearing,
6 Defendants' Counsel shall file with the Court an appropriate affidavit or declaration with respect
7 to publishing and posting the Notice and Summary Notice as provided for in paragraph 5 of this
8 Preliminary Approval Order.

9 8. All Applicable Lyft Shareholders shall be subject to and bound by the provisions
10 of the Stipulation and the releases contained therein, and by all orders, determinations, and
11 judgments in the Federal Derivative Actions concerning the Settlement, whether favorable or
12 unfavorable to Applicable Lyft Shareholders.

13 9. Pending final determination of whether the Settlement should be approved,
14 Plaintiffs and Applicable Lyft Shareholders shall not commence or prosecute against any of the
15 Released Persons any action or proceeding in any court or tribunal asserting any of the Released
16 Claims.

17 10. Any shareholder of Lyft common stock may appear and show cause, if he, she, or
18 it has any reason why the Settlement embodied in the Stipulation should not be approved as fair,
19 reasonable, and adequate, or why a judgment should or should not be entered hereon, or the Fee
20 and Expense Amount or service awards should not be awarded. However, no Lyft shareholder
21 shall be heard or entitled to contest the approval of the proposed Settlement, or, if approved, the
22 Judgment to be entered hereon, unless that Lyft shareholder has caused to be filed, and served on
23 counsel as noted below, written objections stating all supporting bases and reasons for the
24 objection, and setting forth proof of current ownership of Lyft stock and ownership of Lyft stock
25 as of July 23, 2024 as well as documentary evidence of when such stock ownership was
26 acquired.

27 11. At least twenty-one (21) calendar days prior to the Settlement Hearing set for
28 _____, 2024, any such person must file the written objection(s) and corresponding

1 materials with the Clerk of the Court, U.S. District Court for the Northern District of California,
2 50 Golden Gate Avenue San Francisco, CA 94102 and serve such materials by that date, to each
3 of the following Settling Parties' counsel:

Counsel for Plaintiffs:

*Counsel for Nominal Defendant
Lyft, Inc. and Defendants Logan
Green, John Zimmer, Brian
Roberts, Prashant (Sean)
Aggarwal, Jonathan
Christodoro, Ben Horowitz,
Valerie Jarrett, David Lawee,
Hiroshi Mikitani, Ann Miura-Ko
and Mary Agnes (Maggie)
Wilderrotter:*

Timothy Brown
THE BROWN LAW FIRM, P.C.
767 Third Avenue, Suite 2501
New York, NY 10017

and

Gregory M. Nespole
LEVI & KORSINSKY, LLP
33 Whitehall Street, 17th Floor
New York, NY 10004

Andrew B. Clubok
LATHAM & WATKINS LLP
555 Eleventh Street, NW,
Suite 1000
Washington, D.C. 20004

and

Colleen C. Smith
LATHAM & WATKINS LLP
12670 High Bluff Drive
San Diego, CA 92130

18 12. Only shareholders who have filed with the Court and sent to the Settling Parties'
19 counsel valid and timely written notices of objection will be entitled to be heard at the hearing
20 unless the Court orders otherwise.

21 13. Any Person or entity who fails to appear or object in the manner provided herein
22 shall be deemed to have waived such objection and shall forever be foreclosed from making any
23 objection to the fairness, reasonableness, or adequacy of the Settlement and to the Fee and
24 Expense Amount and service awards, unless otherwise ordered by the Court, but shall be forever
25 bound by the Judgment to be entered and the releases to be given as set forth in the Stipulation.

26 14. Plaintiffs shall file their motion for final approval of the Settlement at least
27 twenty-eight (28) calendar days prior to the Settlement Hearing. If there is any objection to the

1 Settlement, Plaintiffs shall file a response to the objection(s) at least seven (7) calendar days
2 prior to the Settlement Hearing.

3 15. All proceedings in the Federal Derivative Action are stayed until further order of
4 the Court, except as may be necessary to implement the Settlement or comply with the terms of
5 this Stipulation.

6 16. This Court may, for good cause, extend any of the deadlines set forth in this
7 Preliminary Approval Order without further notice to Lyft's shareholders.

8 17. Neither the Stipulation nor the Settlement, nor any act performed or document
9 executed pursuant to or in furtherance of the Stipulation or the Settlement: (i) is or may be
10 deemed to be or may be offered, attempted to be offered or used in any way by the Settling
11 Parties or any other Person as a presumption, a concession or an admission of, or evidence of,
12 any fault, wrongdoing or liability of the Settling Parties or Released Persons, or of the validity of
13 any Released Claims; or (ii) is intended by the Settling Parties to be offered or received as
14 evidence or used by any other person in any other actions or proceedings, whether civil, criminal,
15 or administrative, other than to enforce the terms therein.

16 18. The Court reserves: (i) the right to approve the Settlement, with such
17 modifications as may be agreed to by counsel for the Settling Parties consistent with such
18 Settlement, without further notice to Lyft shareholders; (ii) the right to continue or
19 adjourn the Settlement Hearing from time to time or by oral announcement at the hearing
20 or at any adjournment thereof, without further notice to Lyft shareholders; and (iii) the
21 right to hold the Settlement Hearing telephonically or by videoconference, without
22 further notice to Lyft shareholders. Any Applicable Lyft Shareholder (or his, her or its
23 counsel) who wishes to appear at the Settlement Hearing should consult the Court's
24 calendar and/or the Investors page of Lyft's website for any change in the date, time, or
25 format of the Settlement Hearing.

26

27

28

1 **IT IS SO ORDERED.**

2 Dated: _____

3 The Honorable Haywood S. Gilliam, Jr.
4 UNITED STATES DISTRICT COURT JUDGE

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXHIBIT C

1 LATHAM & WATKINS LLP
2 Matthew Rawlinson (SBN 231890)
3 140 Scott Drive
4 Menlo Park, California 94025
5 T: (650) 328-4600 / F: (650) 463-2600
6 matthew.rawlinson@lw.com

7 Andrew B. Clubok (*pro hac vice* pending)
8 555 Eleventh Street, NW, Suite 1000
9 Washington, D.C. 20004
10 T: (202) 637-2200 / F: (202) 637-2201
11 andrew.clubok@lw.com

12 Colleen C. Smith (SBN 231216)
13 12670 High Bluff Drive
14 San Diego, California 92130
15 T: (858) 523-5400 / F: (858) 523-5450
16 colleen.smith@lw.com

17 *Attorneys for Nominal Defendant Lyft, Inc. and*
18 *Defendants Logan Green, John Zimmer, Brian*
19 *Roberts, Prashant (Sean) Aggarwal, Jonathan*
20 *Christodoro, Ben Horowitz, Valerie Jarrett, David*
21 *Lawee, Hiroshi Mikitani, Ann Miura-Ko, and Mary*
22 *Agnes (Maggie) Wilderotter*

23 [Additional Counsel on Signature Pages]

15 **UNITED STATES DISTRICT COURT**
16 **NORTHERN DISTRICT OF CALIFORNIA**
17 **OAKLAND DIVISION**

18 IN RE LYFT, INC. DERIVATIVE
19 LITIGATION

20 Lead Case No. 4:20-cv-09257-HSG

21 This Document Relates to:

22 **NOTICE OF PENDENCY AND**
PROPOSED SETTLEMENT OF
SHAREHOLDER DERIVATIVE ACTION

23 ALL ACTIONS

24 **EXHIBIT C**

25 Hon. Haywood S. Gilliam, Jr.

1 **TO: ALL OWNERS OF THE COMMON STOCK OF LYFT, INC. (“LYFT” OR THE
2 “COMPANY”) CURRENTLY AND AS OF JULY 23, 2024 (“APPLICABLE LYFT
SHAREHOLDERS”):**

3 **THIS NOTICE RELATES TO THE PENDENCY AND PROPOSED
4 SETTLEMENT OF SHAREHOLDER DERIVATIVE LITIGATION. PLEASE
5 READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IF YOU ARE A
6 LYFT SHAREHOLDER, THIS NOTICE CONTAINS IMPORTANT
INFORMATION ABOUT YOUR RIGHTS.**

7 **THIS ACTION IS NOT A “CLASS ACTION.” THUS, THERE IS NO COMMON
8 FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY
PAYMENT.**

9 **YOU ARE HEREBY NOTIFIED**, pursuant to an Order of the U.S. District Court for
10 the Northern District of California (the “Court”), that a proposed settlement has been reached by
11 the parties to the following shareholder derivative actions brought on behalf and for the benefit
12 of Lyft: (i) *In re Lyft Inc. Derivative Litigation*, Case No. 4:20-cv-09257 (N.D. Cal.) (formerly
13 captioned *Chenoy v. Zimmer*, Case No. 4:20-cv-09257 (N.D. Cal.)); (ii) *Mehta v. Green*, Case
14 No. 4:20-cv-09364 (N.D. Cal.); (iii) *Hong Kok v. Green*, Case No. 3:20-cv-09272 (N.D. Cal.);
15 and (iv) *Shuman v. Green*, Case No. 4:21-cv-01263 (N.D. Cal.) (collectively, the “Federal
16 Derivative Actions”).¹

17 As explained below, a hearing will be held on _____ 2024 at _____.m.,
18 before the Honorable Haywood S. Gilliam, Jr., at the U.S. District Court for the Northern District
19 of California, Oakland Courthouse, Courtroom 2, 4th Floor, 1301 Clay Street, Oakland,
20 California 94612 (the “Settlement Hearing”), at which the Court will determine whether to
21 approve the Settlement. You have an opportunity to be heard at this hearing.

22 The Court may, in its discretion, change the date and/or time of the Settlement Hearing
23 without further notice to you. The Court also has reserved the right to hold the Settlement
24 Hearing telephonically or by videoconference without further notice to you. If you intend to
25 attend the Settlement Hearing, please consult the Court’s calendar or Lyft’s website,
26 _____

27 ¹ All capitalized terms herein have the same meanings as set forth Settling Parties’
28 Stipulation of Settlement dated July 23, 2024 (the “Stipulation”), which is available for
viewing on the website of Lyft at www._____.com.

1 www._____, for any change in the date, time, or format of the Settlement Hearing.
 2

3 The terms of the settlement are set forth in the Stipulation and summarized in this Notice.
 4 If approved by the Court, the Settlement will fully resolve the Federal Derivative Actions,
 5 including the dismissal of the Federal Derivative Actions with prejudice. For a more detailed
 6 statement of the matters involved in the Federal Derivative Actions, the Settlement, and the
 7 terms discussed in this Notice, the Stipulation may be inspected at the Clerk of Court's office,
 8 U.S. District Court for the Northern District of California, 50 Golden Gate Avenue San
 9 Francisco, CA 94102. The Stipulation is also available for viewing on the website of Lyft at
 10 www._____.com. For a fee, all papers filed in the Federal Derivative Actions are
 11 available at www.pacer.gov.

12 This Notice is not intended to be an expression of any opinion by the Court with respect
 13 to the merits of the claims made in the Federal Derivative Actions, but is merely to advise you of
 14 the pendency and proposed settlement of the Federal Derivative Actions.

15 **THERE IS NO CLAIMS PROCEDURE.** This case was brought to protect the
 16 interests of Lyft. The Settlement results in changes to the Company's corporate governance, not
 17 in payment to individuals, and accordingly, there will be no claims procedure.

18 **I. THE FEDERAL DERIVATIVE ACTIONS**

19 The Federal Derivative Actions are brought by Plaintiffs solely on behalf of and for the
 20 benefit of Lyft and against the Individual Defendants. Lyft maintains a peer-to-peer marketplace
 21 for on-demand ridesharing, representing one of the largest multimodal transportation networks in
 22 the United States and Canada. The derivative claims arise from allegedly false and misleading
 23 statements made in connection with Lyft's March 28, 2019 initial public offering.

24 **II. PLAINTIFFS' CLAIMS AND THE BENEFITS OF SETTLEMENT**

25 Plaintiffs believe that the Federal Derivative Actions have substantial merit, and
 26 Plaintiffs' entry into the Stipulation and Settlement is not intended to be and shall not be
 27 construed as an admission or concession concerning the relative strength or merit of the claims
 28 alleged in the Federal Derivative Actions. However, Plaintiffs and Plaintiffs' Counsel recognize

1 and acknowledge the significant risk, expense, and length of continued proceedings necessary to
 2 prosecute the Federal Derivative Actions against the Individual Defendants through trial and
 3 through possible appeals. Plaintiffs' Counsel also have taken into account the uncertain outcome
 4 and the risk of any litigation, especially in complex cases such as the Federal Derivative Actions,
 5 as well as the difficulties and delays inherent in such litigation. Plaintiffs' Counsel are also
 6 mindful of the inherent problems of establishing standing in derivative litigation, and the
 7 possible defenses to the claims alleged in the Federal Derivative Actions.

8 Plaintiffs' Counsel have conducted extensive investigation and analysis, including, inter
 9 alia: (i) reviewing Lyft's press releases, public statements, U.S. Securities and Exchange
 10 Commission ("SEC") filings, and securities analysts' reports and advisories about the Company
 11 and its financial condition; (ii) reviewing related media reports about the Company;
 12 (iii) researching applicable law with respect to the claims alleged in the Federal Derivative
 13 Actions and potential defenses thereto; (iv) preparing and filing derivative complaints;
 14 (v) conducting damages analyses; (vi) reviewing and analyzing relevant documents in the
 15 Federal Securities Action and in the State Securities Action; (vii) researching corporate
 16 governance best practices; (viii) researching and preparing correspondence related to the
 17 settlement demands; and (viii) negotiating this Settlement with Defendants. Based on Plaintiffs'
 18 Counsel's thorough review and analysis of the relevant facts, allegations, defenses, and
 19 controlling legal principles, Plaintiffs' Counsel believe that the Settlement set forth in the
 20 Stipulation is fair, reasonable, and adequate, and confers substantial benefits upon Lyft. Based
 21 upon Plaintiffs' Counsel's evaluation, Plaintiffs have determined that the Settlement is in the best
 22 interests of Lyft and have agreed to settle the Federal Derivative Actions upon the terms and
 23 subject to the conditions set forth herein.

24 **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

25 Defendants have denied and continue to deny each and all of the claims and contentions
 26 alleged by Plaintiffs in the Federal Derivative Actions. The Individual Defendants have
 27 expressly denied and continue to deny all charges of wrongdoing or liability against them arising
 28

1 out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged
 2 in the Federal Derivative Actions.

3 Nonetheless, Lyft and the Individual Defendants have concluded that further litigation of
 4 the Federal Derivative Actions would be protracted and expensive, and that it is desirable for the
 5 Federal Derivative Actions to be fully and finally settled in the matter and upon the terms and
 6 conditions set forth in the Stipulation. Defendants have also taken into account the uncertainty
 7 and risks inherent in any litigation, especially in complex cases like the Federal Derivative
 8 Actions. Defendants have, therefore, determined that it is desirable and beneficial that the
 9 Federal Derivative Actions be settled in the manner and upon the terms and conditions set forth
 10 in the Stipulation.

11 Neither the Stipulation, nor any of its terms or provisions, nor entry of the Judgment, nor
 12 any document or exhibit referred or attached to the Stipulation, nor any action taken to carry out
 13 the Stipulation, is, may be construed as, or may be used as evidence of the validity of any of the
 14 Released Claims or an admission by or against the Individual Defendants of any fault,
 15 wrongdoing, or concession of liability whatsoever.

16 **IV. BOARD APPROVAL**

17 The terms of the Stipulation of Settlement, including exhibits thereto, shall be presented
 18 to the Lyft Board of Directors for their review and approval at the next regularly scheduled
 19 Board meeting, currently set for August 20, 2024.

20 **V. TERMS OF THE SETTLEMENT**

21 The terms and conditions of the proposed Settlement are set forth in the Stipulation,
 22 which has been filed with the Court and is available for viewing on Lyft's website at www.
 23 _____.com. The following is only a summary of its terms.

24 As consideration for the Settlement, Lyft has made significant company-wide reforms,
 25 and commits to substantively maintaining or expanding upon the following corporate governance
 26 reforms set forth in Exhibit A to the Stipulation ("Reforms"). The Reforms shall be maintained
 27 by Lyft for a period of not less than three (3) years. Lyft and the Individual Defendants
 28

1 acknowledge that the prosecution and settlement of the Federal Derivative Actions was a
 2 substantial and material factor in the Company's decision to adopt, implement, and/or maintain
 3 the Reforms, and agree that the Reforms are significant and extensive and confer substantial
 4 benefits upon Lyft and its shareholders.

5 The Reforms are specifically designed to improve the functioning of Lyft and convey to
 6 investors that they can invest in the Company with confidence. The Reforms provide, among
 7 other things, that Lyft will, for a period of not less than three (3) years:

- 8 • make a link to its Compliance and Ethics Hotline publicly available on Lyft's Investor
 9 Relations webpage;
- 10 • amendments to its Clawback Policy, effected on October 2, 2023, including robust provisions
 11 for providing recoupment in the event of material negative restatements;
- 12 • enhance the membership of the Company's Culture of Ethics and Compliance Committee to
 13 include the Company's Vice President, Safety and Customer Care (or future equivalent
 14 leader of user safety) as a standing member of the committee;
- 15 • make efforts to share safety features and products with riders and drivers in order to enhance
 16 their efficacy, including by, over the next twelve months, making at least one additional post
 17 on its blog (<https://www.lyft.com/blog>) highlighting key in-app safety features available to
 18 riders and drivers;
- 19 • amendments to its code of business conduct and ethics, effected on October 26, 2021,
 20 including further guidance to employees about the seriousness of the provisions stated
 21 therein;
- 22 • amendments to the Compensation Committee Charter, effected on July 25, 2023, including
 23 enhanced duties of the Compensation Committee as they relate to changes in compensation,
 24 the Company's Clawback Policy, and hiring strategies, including diversity and inclusion
 25 efforts;
- 26 • amendments to the Company's Corporate Governance Guidelines, effected on October 26,
 27 2023, including specifying limitations on executive director board membership, director

1 training, and leadership development.

2 This Notice provides a summary of some, but not all, of the Reforms Lyft has agreed to
 3 adopt or adopted as consideration for the Settlement. For a list of all of the Reforms, please see
 4 Exhibit A to the Stipulation, which is available for viewing from the Court or on Lyft's website
 5 at www.lyft.com.

6 **VI. DISMISSAL AND RELEASES**

7 The Settlement is conditioned upon the occurrence of certain events, which include,
 8 among other things: (i) approval of the Settlement by Lyft's Board of Directors; (ii) the Court's
 9 issuance of an order preliminarily approving the terms and conditions of the Settlement;
 10 (iii) Court approval of the method of providing notice to the Applicable Lyft Shareholders;
 11 (iv) final approval of the Settlement by the Court following notice to Applicable Lyft
 12 Shareholders and the Settlement Hearing contemplated by the Stipulation; (v) Court entry of the
 13 Judgment, approving the Settlement and dismissing with prejudice the Consolidated Derivative
 14 Action, without awarding costs to any Party, except as provided in the Stipulation; and
 15 (vi) payment of the Fee and Expense Amount; (vii) the passing of the date upon which the
 16 Judgment becomes Final; and (viii) Court issuance of an order dismissing the Federal Derivative
 17 Actions with prejudice (the "Effective Date").

18 Upon the Effective Date, the Releasing Persons shall be deemed to have fully, finally,
 19 and forever released, relinquished, and discharged the Released Claims (including Unknown
 20 Claims) against the Released Persons and any and all derivative claims arising out of, relating to,
 21 or in connection with the defense, settlement, or resolution of the Federal Derivative Actions
 22 against the Released Persons. Nothing herein shall in any way impair or restrict the rights of any
 23 Settling Party to enforce the terms of the Stipulation.

24 Except as set forth in paragraph 5.3, of the Stipulation, upon the Effective Date, Lyft and
 25 each of the Individual Defendants and their Related Persons shall be deemed to have fully,
 26 finally, and forever released, relinquished, and discharged Plaintiffs and Plaintiffs' Counsel and
 27 their Related Persons from all claims (including claims related to Unknown Claims), arising out

1 of, relating to, or in connection with the institution, prosecution, assertion, settlement, or
 2 resolution of the Federal Derivative Actions or the Released Claims. Nothing herein shall in any
 3 way impair or restrict the rights of any Settling Party to enforce the terms of the Stipulation.
 4

5 **VII. PLAINTIFFS' ATTORNEYS' FEES AND EXPENSES**

6 After negotiating the substantive terms of the settlement, the Settling Parties discussed a
 7 fair and reasonable sum to be paid to Plaintiffs' Counsel for their attorneys' fees and expenses.
 8 In recognition of the substantial benefits conferred upon Lyft as a direct result of the prosecution
 9 and Settlement of the Federal Derivative Actions, and subject to Court approval, the Individual
 10 Defendants shall cause their insurers to pay Plaintiffs' Counsel the agreed-to amount of \$700,000
 11 (the "Fee and Expense Amount"). To date, Plaintiffs' Counsel have neither received any
 12 payment for their services in conducting the Actions, nor have counsel been reimbursed for their
 13 out-of-pocket expenses incurred. The Settling Parties believe that the sum agreed to is within the
 14 range of attorneys' fees and expenses approved by courts under similar circumstances in
 15 litigation of this type. Lyft's shareholders are not personally liable for the payment of any award
 16 of attorneys' fees and expenses.

17 Plaintiffs' Counsel may apply to the Court for service awards of up to \$1,500 for each of
 18 the Plaintiffs, only to be paid upon Court approval, and to be paid from the Fee and Expense
 19 Amount in recognition of Plaintiffs' participation and effort in the prosecution of the Actions.
 20 Neither Lyft nor any of the Individual Defendants shall be liable for any portion of any service
 21 awards.

VIII. THE SETTLEMENT HEARING

The Settlement Hearing will be held before the Honorable Haywood S. Gilliam, Jr. at the U.S. District Court for the Northern District of California, Oakland Courthouse, Courtroom 2, 4th Floor, 1301 Clay Street, Oakland, California 94612 (the “Settlement Hearing”), at which the Court will determine: (i) whether the terms of the Stipulation should be approved as fair, reasonable, and adequate; (ii) whether the Notice fully satisfied the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and the requirements of due process; (iii) whether all Released Claims against the Released Persons should be fully and finally released; (iv) whether the agreed-to Fee and Expense Amount should be approved; and (v) such other matters as the Court may deem appropriate. The Settlement Hearing may be continued by the Court at the Settlement Hearing, or at any adjourned session thereof, or it may be held telephonically or by videoconference, without further notice. Any Applicable Lyft Shareholder (or his, her or its counsel) who wishes to appear at the Settlement Hearing should consult the Court’s calendar and/or the Investors page of Lyft’s website for any change in the date, time, or format of the Settlement Hearing.

IX. THE RIGHT TO OBJECT AND/OR BE HEARD AT THE HEARING

Any Applicable Lyft Shareholder may object and/or appear and show cause, if he, she, or it has any concern, why the Settlement should not be approved as fair, reasonable, and adequate, or why the Judgment should not be entered thereon, or why the amount of attorneys' fees and reimbursement of expenses should not be approved. However, unless otherwise ordered by the Court, you shall only be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the amount of attorneys' fees and reimbursement of expenses to Plaintiffs' Counsel, unless you have, ***at least twenty-one (21) calendar days prior to the Settlement Hearing***, filed with the Court a written notice of objection containing the following information:

1. Your name, legal address, and telephone number;

1 2. The case name and number (*In re Lyft Inc. Derivative Litigation*, Case
 2 No. 4:20-cv-09257);
 3 3. Proof of being a Lyft shareholder currently and as of July 23, 2024;
 4 4. The date(s) you acquired your Lyft shares;
 5 5. A statement of each of each objection being made;
 6 6. Notice of whether you intend to appear at the Settlement Hearing (you are
 7 not required to appear); and
 8 7. Copies of any papers you intend to submit to the Court, along with the
 9 names of any witness(es) you intend to call to testify at the Settlement Hearing and the
 10 subject(s) of their testimony.

11 If you wish to object to the proposed Settlement, you must file the written objection
 12 described above with the Court on or before _____, 2024. All written objections and
 13 supporting papers must be filed with the Clerk of the Court, U.S. District Court for the Northern
 14 District of California, 50 Golden Gate Avenue San Francisco, CA 94102 and served by that date
 15 upon each of the following Settling Parties' counsel:

16 *Counsel for Plaintiffs:*

17 Timothy Brown
 18 THE BROWN LAW FIRM, P.C.
 19 767 Third Avenue, Suite 2501
 20 New York, NY 10017

21 and

22 Gregory M. Nespole
 23 LEVI & KORSINSKY, LLP
 24 33 Whitehall Street, 17th Floor
 25 New York, NY 10004

26 *Counsel for Nominal Defendant
 27 Lyft, Inc. and Defendants Logan
 28 Green, John Zimmer, Brian
 Roberts, Prashant (Sean)
 Aggarwal, Jonathan Christodoro,
 Ben Horowitz, Valerie Jarrett,
 David Lawee, Hiroshi Mikitani,
 Ann Miura-Ko, and Mary Agnes
 (Maggie) Wilderotter:*

29 Andrew B. Clubok
 30 LATHAM & WATKINS LLP
 31 555 Eleventh Street, NW,
 32 Suite 1000
 33 Washington, D.C. 20004

34 and

35 Colleen C. Smith
 36 LATHAM & WATKINS LLP
 37 12670 High Bluff Drive
 38 San Diego, CA 92130

YOUR WRITTEN OBJECTIONS MUST BE POSTMARKED OR ON FILE WITH THE CLERK OF THE COURT NO LATER THAN _____, 2024. Only shareholders who have filed and delivered valid and timely written notices of objection will be entitled to be heard at the Settlement Hearing unless the Court orders otherwise.

Unless otherwise ordered by the Court, any Applicable Lyft Shareholder who does not make his, her, or its objection in the manner provided herein shall be deemed to have waived such objection and shall forever be barred and foreclosed from making any objection to the fairness, reasonableness, or adequacy of the Settlement, or to otherwise be heard, and shall otherwise be bound by the Judgment to be entered and the releases to be given.

**APPLICABLE LYFT SHAREHOLDERS AS OF JULY 23, 2024 WHO HAVE NO
OBJECTION TO THE SETTLEMENT DO NOT NEED TO APPEAR AT THE
SETTLEMENT HEARING OR TAKE ANY OTHER ACTION.**

X. EXAMINATION OF PAPERS AND INQUIRIES

There is additional information concerning the Settlement available in the Stipulation, which is available for viewing on the Lyft website at www.lyft.com. You may also inspect the Stipulation during business hours at the office of the Clerk of the Court, U.S. District Court for the Northern District of California, 50 Golden Gate Avenue San Francisco, CA 94102. Or, you can call The Brown Law Firm, P.C., 767 Third Avenue, New York, NY 10017, telephone: (516) 922-5427; Levi & Korsinsky, LLP, 33 Whitehall Street, 17th Floor, New York, NY 10004, telephone: (212) 363-7500, for additional information concerning the settlement.

**PLEASE DO NOT CONTACT THE COURT OR LYFT
REGARDING THIS NOTICE**

Dated:

BY ORDER OF THE UNITED STATES
DISTRICT COURT OF THE NORTHERN
DISTRICT OF CALIFORNIA

EXHIBIT D

1 LATHAM & WATKINS LLP
2 Matthew Rawlinson (SBN 231890)
3 140 Scott Drive
4 Menlo Park, California 94025
5 T: (650) 328-4600 / F: (650) 463-2600
6 matthew.rawlinson@lw.com

7 Andrew B. Clubok (*pro hac vice*)
8 555 Eleventh Street, NW, Suite 1000
9 Washington, D.C. 20004
10 T: (202) 637-2200 / F: (202) 637-2201
11 andrew.clubok@lw.com

12 Colleen C. Smith (SBN 231216)
13 12670 High Bluff Drive
14 San Diego, California 92130
15 T: (858) 523-5400 / F: (858) 523-5450
16 colleen.smith@lw.com

17 *Attorneys for Nominal Defendant Lyft, Inc. and*
18 *Defendants Logan Green, John Zimmer, Brian*
19 *Roberts, Prashant (Sean) Aggarwal, Jonathan*
20 *Christodoro, Ben Horowitz, Valerie Jarrett, David*
21 *Lawee, Hiroshi Mikitani, Ann Miura-Ko, and Mary*
22 *Agnes (Maggie) Wilderotter*

23 [Additional Counsel on Signature Pages]

15 **UNITED STATES DISTRICT COURT**
16 **NORTHERN DISTRICT OF CALIFORNIA**
17 **OAKLAND DIVISION**

18 IN RE LYFT, INC. DERIVATIVE
19 LITIGATION

20 Lead Case No. 4:20-cv-09257-HSG

21 This Document Relates to:

22 **SUMMARY NOTICE OF PENDENCY**
23 **AND PROPOSED SETTLEMENT OF**
24 **SHAREHOLDER DERIVATIVE ACTION**

25 ALL ACTIONS

26 **Exhibit D**

27 Hon. Haywood S. Gilliam, Jr.

1 **TO: ALL OWNERS OF THE COMMON STOCK OF LYFT, INC. (“LYFT”**
 2 **OR THE “COMPANY”) CURRENTLY AND AS OF JULY 23, 2024:**

3 IF YOU ARE A RECORD OR BENEFICIAL OWNER AND WERE A
 4 RECORD OR BENEFICIAL OWNER OF LYFT COMMON STOCK AS OF JULY 23,
 5 2024, PLEASE READ THIS NOTICE ABOUT A SETTLEMENT CAREFULLY AND IN ITS
 6 ENTIRETY AS YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THE
 7 ABOVE-REFERENCED LITIGATION.

8 THIS ACTION IS NOT A “CLASS ACTION.” THUS, THERE IS NO COMMON
 9 FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY PAYMENT.

10 PLEASE TAKE NOTICE that the parties to the above-captioned shareholder
 11 derivative action, (formerly captioned *Chenoy v. Zimmer*, Case No. 4:20-cv-09257 (N.D. Cal.)),
 12 as well as the parties to the shareholder derivative actions titled *Mehta v. Green*, Case No. 4:20-
 13 cv-09364 (N.D. Cal.); *Hong Kok v. Green*, Case No. 3:20-cv-09272 (N.D. Cal.); and *Shuman v.*
 14 *Green*, Case No. 4:21-cv-01263 (N.D. Cal.) (collectively, the “Federal Derivative Actions”),
 15 have reached an agreement to settle the derivative claims brought on behalf of and for the
 16 benefit of Lyft.

17 The terms of the settlement are set forth in a Stipulation of Settlement dated July 23,
 18 2024 (the “Stipulation”).¹ This notice should be read in conjunction with, and is qualified in
 19 its entirety by reference to, the text of the Stipulation, which has been filed with the U.S.
 20 District Court for the Northern District of California. A link to the text of the Stipulation and
 21 the full-length Notice of Pendency and Proposed Settlement of Shareholder Derivative Action
 22 may be found on the “Investors” page of Lyft’s website at www.lyft.com.

23 Under the terms of the Stipulation, as a part of the proposed Settlement, Lyft has
 24 adopted and/or will adopt certain corporate governance reforms, which all parties agree confer
 25 substantial benefits upon Lyft.

26
 27
 28

¹ All capitalized terms herein have the same meanings as set forth in the Stipulation

1 In light of the substantial benefits conferred upon Lyft by Plaintiffs' Counsel's efforts,
 2 the Company's insurers shall pay Plaintiffs' Counsel's attorney's fees, costs, and expenses of
 3 \$700,000, subject to Court approval.

4 A hearing will be held on _____, 2024 at _____.m., before the
 5 Honorable Haywood S. Gilliam, Jr. at the U.S. District Court for the Northern District of
 6 California, Oakland Courthouse, Courtroom 2, 4th Floor, 1301 Clay Street, Oakland, California
 7 94612 (the "Settlement Hearing"), at which the Court will determine whether to approve
 8 the settlement. The Court may, in its discretion, change the date and/or time of the Settlement
 9 Hearing without further notice to you. The Court also has reserved the right to hold the Settlement
 10 Hearing telephonically or by videoconference without further notice to you. If you intend to attend
 11 the Settlement Hearing, please consult the Court's calendar and/or Lyft's website, www.lyft.com
 12 for any change in the date, time, or format of the Settlement Hearing.

13 Any Lyft shareholder has a right, but is not required, to appear and to be heard at the
 14 Settlement Hearing, providing that he, she, or it is a shareholder of record or beneficial
 15 owner of Lyft common stock and was a shareholder of record or beneficial owner of Lyft
 16 common stock as of July 23, 2024. Any Lyft shareholder who satisfies this requirement may
 17 enter an appearance through counsel of such shareholder's own choosing and at such
 18 shareholder's own expense, or may appear on their own. However, you shall not be heard at
 19 the Settlement Hearing unless, no later than _____, 2024, you have filed with the
 20 Court a written notice of objection containing the following information:

21 1. Your name, legal address, and telephone number;

22 2. The case name and number (*In re Lyft Inc. Derivative Litigation*, Case
 23 No. 4:20-cv-09257);

24 3. Proof of being a Lyft shareholder currently and as of July 23, 2024;

25 4. The date(s) you acquired your Lyft shares;

26 5. A statement of each of each objection being made;

27 6. Notice of whether you intend to appear at the Settlement Hearing (you are
 28 not required to appear); and

1 7. Copies of any papers you intend to submit to the Court, along with the
 2 names of any witness(es) you intend to call to testify at the Settlement Hearing and the
 3 subject(s) of their testimony.

4 If you wish to object to the proposed Settlement, you must file the written
 5 objection described above with the Court on or before _____, 2024. All
 6 written objections and supporting papers must be filed with the Clerk of the Court, U.S. District
 7 Court for the Northern District of California, 50 Golden Gate Avenue San Francisco, CA 94102
 8 and served by that date upon each of the following Settling Parties' counsel:

9 *Counsel for Plaintiffs:*

10 Timothy Brown
 11 THE BROWN LAW FIRM, P.C.
 12 767 Third Avenue, Suite 2501
 13 New York, NY 10017

14 and

15 Gregory M. Nespole
 16 LEVI & KORSINSKY, LLP
 17 33 Whitehall Street, 17th Floor
 18 New York, NY 10004

9 *Counsel for Nominal Defendant
 10 Lyft, Inc. and Defendants Logan
 11 Green, John Zimmer, Brian Roberts,
 12 Prashant (Sean) Aggarwal,
 13 Jonathan Christodoro, Ben
 14 Horowitz, Valerie Jarrett, David
 15 Lawee, Hiroshi Mikitani, Ann
 16 Miura-Ko, and Mary Agnes
 17 (Maggie) Wilderotter:*

18 Andrew B. Clubok
 19 LATHAM & WATKINS LLP
 20 555 Eleventh Street, NW,
 21 Suite 1000
 22 Washington, D.C. 20004

23 and

24 Colleen C. Smith
 25 LATHAM & WATKINS LLP
 26 12670 High Bluff Drive
 27 San Diego, CA 92130

28 YOUR WRITTEN OBJECTIONS MUST BE POSTMARKED OR ON FILE WITH
 29 THE CLERK OF THE COURT NO LATER THAN _____, 2024.

30 Only shareholders who have filed and delivered valid and timely written notices of
 31 objection will be entitled to be heard at the Settlement Hearing unless the Court orders
 32 otherwise. If you fail to object in the manner and within the time prescribed above you shall
 33 be deemed to have waived your right to object (including the right to appeal) and shall forever be

1 barred, in this proceeding or in any other proceeding, from raising such objection(s).

2 Inquiries may be made to Plaintiffs' Counsel: The Brown Law Firm, P.C., 767
3 Third Avenue, Suite 2501, New York, NY 10017, telephone: (516) 922-5427; Levi & Korsinsky,
4 LLP, 33 Whitehall Street, 17th Floor, New York, NY 10004, telephone: (213) 363-7500.

5 **PLEASE DO NOT CONTACT THE COURT OR LYFT
6 REGARDING THIS NOTICE**

7 Dated:

8 BY ORDER OF THE UNITED STATES
9 DISTRICT COURT OF THE NORTHERN
10 DISTRICT OF CALIFORNIA

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

EXHIBIT E

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

IN RE LYFT, INC. DERIVATIVE
LITIGATION

| Lead Case No. 4:20-cv-09257-HSG

[PROPOSED] ORDER AND FINAL JUDGMENT

EXHIBIT E

Hon. Haywood S. Gilliam, Jr.

This Document Relates to:

ALL ACTIONS

1 This matter came before the Court for hearing on _____, 2024, to consider
 2 approval of the proposed settlement (“Settlement”) set forth in the Stipulation of Settlement
 3 dated July 23, 2024, and the exhibits thereto (the “Stipulation”). The Court has reviewed and
 4 considered all documents, evidence, objections (if any), and arguments presented in support of
 5 or against the Settlement. Good cause appearing therefore, the Court enters this Judgment.

6 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

7 1. This Judgment incorporates by reference the definitions in the Stipulation, and all
 8 capitalized terms used herein shall have the same meanings as set forth in the Stipulation.

9 2. This Court has jurisdiction over the subject matter of the Consolidated Derivative
 10 Action, including all matters necessary to effectuate the Settlement, and over all Settling Parties
 11 to the Consolidated Derivative Action.

12 3. The Court finds that the Notice provided to Lyft shareholders constituted the best
 13 notice practicable under the circumstances. The Notice fully satisfied the requirements of Rule
 14 23.1 of the Federal Rules of Civil Procedure and the requirements of due process.

15 4. The Court finds that the Settlement as set forth in the Stipulation is fair,
 16 reasonable, adequate, and in the best interests of Lyft and its shareholders.

17 5. The Consolidated Derivative Action and all claims contained therein, as well as
 18 all of the Released Claims against Released Persons, are dismissed with prejudice. The Settling
 19 Parties are to bear their own costs, except as otherwise provided in the Stipulation.

20 6. Upon the Effective Date, the Releasing Persons shall be deemed to have fully,
 21 finally, and forever released, relinquished, and discharged the Released Claims (including
 22 Unknown Claims) against the Released Persons and any and all derivative claims arising out of,
 23 relating to, or in connection with the defense, settlement, or resolution of the Federal Derivative
 24 Actions against the Released Persons. Nothing herein shall in any way impair or restrict the
 25 rights of any Settling Party to enforce the terms of the Stipulation.

26 7. Except as set forth in paragraph 5.3 of the Stipulation, upon the Effective Date,
 27 Lyft and each of the Settling Individual Defendants and their Related Persons shall be deemed to
 28 have fully, finally, and forever released, relinquished, and discharged Plaintiffs and Plaintiffs’

1 Counsel and their Related Persons from all claims (including claims related to Unknown
 2 Claims), arising out of, relating to, or in connection with the institution, prosecution, assertion,
 3 settlement, or resolution of the Federal Derivative Actions or the Released Claims. Nothing
 4 herein shall in any way impair or restrict the rights of any Settling Party to enforce the terms of
 5 this Stipulation.

6 8. During the course of the litigation, all parties and their respective counsel at all
 7 times complied with the requirements of Rule 11 of the Federal Rules of Civil Procedure, and all
 8 other similar laws or statutes, including Section 128.7 of the California Code of Civil Procedure.

9 9. The Court hereby approves the sum of \$700,000 for the payment of Plaintiffs'
 10 Counsel's attorneys' fees and expenses in the Actions ("Fee and Expense Amount"), and finds
 11 that the Fee and Expense Amount is fair and reasonable. No other fees, costs, or expenses may
 12 be awarded to Plaintiffs' Counsel in connection with the Settlement. The Fee and Expense
 13 Amount shall be distributed in accordance with the terms of the Stipulation.

14 10. The Court hereby approves the service awards of \$1,500 for each of the Plaintiffs
 15 to be paid from Plaintiffs' Counsel's Fee and Expense Amount in recognition of Plaintiffs'
 16 participation and effort in the prosecution of the Actions.

17 11. Neither the Stipulation nor the Settlement, nor any act performed or document
 18 executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be
 19 deemed to be or may be offered, attempted to be offered, or used in any way by the Settling
 20 Parties or any other Person as a presumption, a concession, or an admission of, or evidence of,
 21 any fault, wrongdoing, or liability of the Settling Parties or Released Persons, or of the validity
 22 of any Released Claims; or (b) is intended by the Settling Parties to be offered or received as
 23 evidence or used by any other person in any other actions or proceedings, whether civil,
 24 criminal, or administrative, other than to enforce the terms therein.

25 12. The Released Persons may file the Stipulation and/or the Judgment, and file or
 26 reference acts performed or documents executed pursuant to or in furtherance of the Stipulation
 27 and/or the Judgment: (i) in any action that may be brought against them in order to support a
 28 defense or counterclaim based on principles of res judicata, collateral estoppel, full faith and

1 credit, release, good faith settlement, judgment bar or reduction, or any other theory of claim
 2 preclusion or issue preclusion or similar defense or counterclaim; (ii) in furtherance of the
 3 Settlement contemplated in the Stipulation; and (iii) in any action to enforce the Settlement.

4 13. Without affecting the finality of this Judgment in any way, this Court hereby
 5 retains continuing jurisdiction with respect to implementation and enforcement of the terms of
 6 the Stipulation. If for any reason the Effective Date does not occur, or if this Stipulation is in
 7 any way canceled, terminated or fails to become Final in accordance with its terms, then: (a) all
 8 Settling Parties and Released Persons shall be restored to their respective positions in the Federal
 9 Derivative Actions as of July 23, 2024; (b) all releases delivered in connection with this
 10 Stipulation shall be null and void, except as otherwise provided for in this Stipulation; (c) the Fee
 11 and Expense Amount paid to Plaintiffs' Counsel shall be refunded and returned within thirty (30)
 12 calendar days; and (d) all negotiations, proceedings, documents prepared, and statements made
 13 in connection herewith shall be without prejudice to the Settling Parties, shall not be deemed or
 14 construed to be an admission by a Settling Party of any act, matter, or proposition, and shall not
 15 be used in any manner for any purpose in any subsequent proceeding in the Federal Derivative
 16 Actions or in any other action or proceeding. In such event, the terms and provisions of this
 17 Stipulation shall have no further force and effect with respect to the Settling Parties and shall not
 18 be used in the Federal Derivative Actions or in any other proceeding for any purpose.

19 14. Pursuant to Rule 23.1 of the Federal Rules of Civil Procedure, this Court hereby
 20 finally approves the Stipulation and Settlement in all respects, and orders the Settling Parties to
 21 perform its terms to the extent the Settling Parties have not already done so.

22 15. This Judgment is a final judgment, and the Court finds that no just reason exists
 23 for delay in entering the Judgment in accordance with the Stipulation. Accordingly, the Clerk
 24 is hereby directed to enter this Judgment forthwith in accordance with Rule 58 of the
 25 Federal Rules of Civil Procedure.

26 **IT IS SO ORDERED.**

27 Dated: _____

28 _____
 The Honorable Haywood S. Gilliam, Jr.
 UNITED STATES DISTRICT COURT JUDGE