

# **Uber Class Action**

Settlement Distribution Scheme – Explanatory Note

## A. What is this document?

On 17 March 2024, the parties to the Uber class actions reached an agreement to settle the proceedings, on the basis that Uber will pay a sum of \$271.8 million (subject to Court approval).

How the settlement is proposed to be divided amongst eligible group members is set out in the proposed Settlement Distribution Scheme (**SDS**).

The Supreme Court of Victoria must specifically consider the SDS, and whether it should be approved, in deciding whether to approve the proposed settlement.

You should read the SDS – it is an important legal document.

We have also prepared this explanatory note to help you understand how claims will be assessed under the proposed SDS. This note does not replace the SDS, and if there is any inconsistency with the SDS, the SDS will prevail.

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## B. How does settlement administration work and what do I need to do now?

If the SDS is approved by the Court, each registered group member will have their claim assessed in accordance with the terms of the SDS.

The SDS aims to deliver a simple, fair and cost-effective way to assess and distribute the settlement funds as quickly as possible.

The SDS has been designed to:

1. **Reduce the expert accounting and legal work** involved in the assessment and distribution process, ensuring more funds are available to be distributed to participating group members.
2. **Avoid extended delays** in distributing settlement funds to group members, which may occur if detailed accounting assessments were required.

Maurice Blackburn has also obtained industry data from government agencies that will assist in the verification of claims and ensure that incorrect claims are not made. The settlement administrator may also require you to provide additional documentation to assess your claim, such as taxi licence records.

If you are a registered group member, you do not need to do anything now.

The settlement administrator will contact all registered group members directly when we require further information. This will not occur until after the settlement approval hearing listed on 9 – 10 September 2024, and unless the Court approves the settlement and the proposed SDS.

### C. How will settlement funds be divided between group members?

The class action was commenced on behalf of licence owners, operators, drivers and Network Service Providers (NSPs) in the taxi and hire car industries. It sought to compensate group members for two types of economic loss: loss of income and/or loss of capital value in taxi and hire car/limousine licences, caused by the alleged introduction and operation of UberX.

The proposed SDS has been drafted to reflect the different categories of group members within the taxi and hire car industries, and their different claims for economic loss.

#### Overview of Claims

Depending on each group member's factual circumstances, the group member may have a single claim or a combination of claims. The table below sets out the available claims to be assessed under the proposed SDS.

I am a...				
Licence Owner		Operator	Driver	NSP
I may have a ....		I may have a ...	I may have a ...	I may have a...
<b>Capital Value claim</b>	<b>Lease Income Loss claim</b>	<b>Operator Income Loss claim</b>	<b>Driver Income Loss claim</b>	<b>Network Service Provider Loss claim</b>
For the decline in the capital value of a taxi or hire car licence (per licence).	For the loss in lease income received for leasing a taxi or hire car licence to a third-party operator (per licence).	For the loss in income received for operating a taxi or hire car (per licence).	For the loss in income received for driving a taxi or hire car (per person).	For the loss of NSP-specific income (for instance, in radio network fees).

Under the proposed SDS, one registered group member may have more than one *type* of claim. Whether a registered group member has more than one type of claim will depend on their factual circumstances. Some examples are as follows:

- A registered group member may have been a licence owner *and* operator *and* driver during the relevant Claim Period.
- Alternatively, a registered group member may have *multiple* licence owner and/or licence operator claims, should they have owned and/or operated *more than one* eligible licence in the relevant Claim Period.
- Alternatively, a registered group member may have been a driver, but not a licence owner or operator. They can have a maximum of *one* claim as a driver, regardless of the number of vehicles they drove. This is because a person is only able to drive one vehicle at any one time.

#### D. What factors are relevant to claim assessments and settlement distribution?

If the SDS is approved by the Court, each registered group member will have their claim(s) assessed according to the terms of the SDS.

**Under the proposed SDS, the settlement funds will not be equally divided between registered group members.** This is because the different claims of group members have different values and had different risks and complexities associated with them.

Our opinion on the value and risks of each type of claim is informed by a combination of the expert evidence filed in the proceeding and legal advice from experienced senior counsel.

Under the proposed SDS, the claim assessments and settlement distributions may also reflect the following factors (in no particular order):

Number	Factor	Example
1	Your <b>role</b> in the taxi/hire car industry	Were you a licence owner, taxi driver, or operator – or a combination?
2	The <b>type</b> of licence you owned or operated  Any <b>special conditions</b> which attached to the licence you owned, operated or drove  How <b>many</b> licences you owned or operated	Was the licence a hire car licence or taxi licence?  Was this licence a metropolitan licence or country licence?  Could the licence only be used in certain vehicles, or operated at a particular time of day?  Could that licence be assigned or leased to a third party?
3	The <b>Australian State</b> in which you were an industry participant	Victoria, New South Wales, Queensland or Western Australia.

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#### E. How much will I receive under the proposed settlement distribution scheme?

At this stage, it is not possible to state what each group member will receive *in hand* if the proposed settlement and SDS is approved by the Court. This is because the number of group members participating in the settlement, and the details of their claim data, has not yet been finalised.

The figures by which group members' claims will be assessed are contained in confidential annexures to the SDS, which are available to group members upon request. Group members can request a copy of the confidential annexures once they complete and return a confidentiality undertaking available at [www.mauriceblackburn.com.au/uber](http://www.mauriceblackburn.com.au/uber)

## **F. What if I disagree with a decision of the SDS administrator?**

Under the proposed SDS, a registered group member will be able to seek review of the following decisions of the scheme administrator:

1. Determinations about a registered group members "claim data": such as what type of claim they have, how many licences they held, or how long they worked in the industry.
2. Determinations about whether a registered group member is eligible to receive a payment under the scheme.
3. The administrator's assessment of a registered group member's loss.

These reviews will be limited to determining whether the administrator has correctly applied the SDS to the registered group member. If the proposed SDS is approved by the Court, group members will not be able to object to the assessment process or the figures by which claims are assessed. If you want to seek a review, you will need to pay an up-front bond.