

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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JONATHAN NNEBE et al, individually and on
behalf of all others similarly situated

Plaintiffs,

06-CV-04991 (RJS)

-against-

MATTHEW DAUS, CHARLES FRASER, JOSEPH
ECKSTEIN, ELIZABETH BONINA, THE NEW
YORK CITY TAXI AND LIMOUSINE
COMMISSION, AND THE CITY OF NEW YORK,

Defendants.

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SETTLEMENT AGREEMENT

WHEREAS, on June 28, 2006, plaintiff Jonathan Nnebe commenced the above-captioned action (“Nnebe Action”) by filing a complaint in which plaintiff challenged, pursuant to 42 U.S.C. § 1983, the constitutionality of certain procedures employed by the New York City Taxi and Limousine Commission (“TLC”) to suspend plaintiff’s taxi or for-hire vehicle driver license following an arrest; and

WHEREAS plaintiffs in the Nnebe Action filed a first amended complaint on August 3, 2006 (Dkt. 15) and a second amended complaint on October 27, 2006 (Dkt. 42); and

WHEREAS, on September 19, 2017, plaintiffs Anthony Stallworth, et al., filed a similar challenge in a case captioned *Stallworth v. Joshi*, Docket No. 17-CV-7119 (“Stallworth Action”); and

WHEREAS, following motion practice, a bench trial, and appeals, the Second Circuit on July 19, 2019 issued a decision/order (Dkt. 423), 931 F.3d 66 (2d Cir. 2019), finding defendants not liable for immediate suspension of a TLC license upon arrest of a licensee but liable

for constitutionally insufficient notices and hearings following such suspensions, and remanded to the District Court for further proceedings; and

WHEREAS, the parties agreed to proceed with the issues under the *Nnebe* Action and to close the *Stallworth* Action, and the Court ordered that the Clerk of Court close the *Stallworth* Action and the litigation continue under the *Nnebe* Action caption (together, the “Action”) by Order dated August 9, 2023 (Docket No. 595);

WHEREAS, on March 1, 2022, the District Court issued an Opinion and Order (Dkt. 532) granting in part and denying in part Plaintiffs’ motion for class certification, *i.e.*, granting a liability class defined as “all TLC-licensed drivers whose licenses were suspended by the TLC based on the driver having been arrested on a criminal charge any time between June 28, 2003, until February 18, 2020,” and denying a damages class; and

WHEREAS, from November 14, 2023 through November 16, 2023, the Court held a bellwether jury trial on damages for ten (10) class members (“Trial Class Members”) of twenty (20) class members who had been chosen at random by the Clerk of the Court out of the 8,273 class members who stated by the Court-ordered deadline of January 27, 2023 (Dkts. 566 and 571) that they wanted to participate in a damages trial; and

WHEREAS, at the conclusion of the November 2023 trial, each of the ten Trial Class Members was awarded individualized damages by the jury for emotional distress damages and lost income damages based on evidence presented during trial (Minute Entry dated November 16, 2023); Court Exhibits 1-19 dated November 17, 2023 (Dkt. 656); and

WHEREAS, the ten of those 20 randomly chosen class members who did not appear for a damages trial were awarded nominal damages in the amount of \$1.00 by Court Orders dated August 16, 2023, and December 22, 2023 (Dkts. 601 and 679); and

WHEREAS, the Court awarded the ten Trial Class Members pre-judgment interest on the damages awarded to them by the jury (Dkt. 679); and

WHEREAS, since the conclusion of the jury trial, the parties have engaged in extensive discussions to resolve the outstanding damages claims and participated in extensive mediation for resolving the claims of the class members in the Action without the time, uncertainties and expense of further damages trials or appeals; and

WHEREAS, the Parties desire to enter into this Settlement Agreement to conclude and settle the Action, and to set forth their agreements with respect to the settlement of all claims brought, or that could have been brought as claims, by the Plaintiffs in the Action; and

WHEREAS, this Settlement Agreement, subject to the Court's approval after a fairness hearing, settles this Action in the manner and on the terms set forth below;

NOW THEREFORE IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned, as follows:

A. DEFINITIONS

1. The "Settlement Agreement" is the agreement set forth herein, subject to Court approval.

2. The "Settlement Class" consists of "all TLC-licensed drivers whose licenses were suspended by the TLC based on the driver having been arrested on a criminal charge any time between June 28, 2003, until February 18, 2020" (Dkt. 532). These individuals are identified on the List as described in paragraph 5 below.

3. "Class Counsel" means Shannon Liss-Riordan, David T. Goldberg, Daniel Ackman, and Bradley Manewith.

4. "Settlement Class Member" means any member of the Settlement Class who has neither opted out of the class by filing a timely Opt Out Form as specified in this

Settlement Agreement, nor previously opted out of the Action, or settled or otherwise disposed of claims as asserted in this Action. The ten (10) plaintiffs who were each awarded nominal damages per the Court's August 16, 2023 Order (Dkt. 601), subsequently specified as \$1.00 each per the Court's December 22, 2023 Civil Judgment (Dkt. 679) are not Settlement Class Members.

5. "List" means the list of names of Settlement Class Members, together with the last known addresses, email addresses, and telephone numbers to the extent available, from the taxi or for-hire vehicle driver records maintained by the TLC.

6. "Claiming Settlement Class Member" means a Settlement Class Member who has timely complied with the Settlement Claim Procedure as defined below.

7. "Final Class List" means the list that the Claims Administrator will generate in Excel Spreadsheet form of class members who timely submit both a claim and a City of New York Substitute form W-9, as set forth in paragraph 59, below.

8. "Purported Class Member" means any taxi or for-hire vehicle driver who, although not identified as a member of the Settlement Class by the date of the sending of the Class Notice, later claims to be a member of the Settlement Class.

9. The "Named Plaintiffs" means Jonathan Nnebe, Alexander Karmansky, Khairul Amin, Eduardo Avenaut, New York Taxi Workers Alliance, Anthony Stallworth, Parichay Barman, and Noor Tani.

10. "Fairness Hearing" is the final approval hearing wherein the fairness of this proposed settlement is evaluated by the Court and any objections to this proposed settlement are heard by the Court. The date for the Fairness Hearing will be set in the Court's Preliminary Approval Order.

11. “Class Notice” means the form(s) of Notice of Class Action Settlement and Fairness Hearing, described in paragraph 46.

12. “Notice Plan” means the process by which notice will be made and sent to the Settlement Class Members.

13. “Opt Out” is the procedure that must be completed by any potential member of the Settlement Class in order to be excluded from the Settlement Class, as provided in paragraph 60 of this Settlement Agreement.

14. “Opt Out or Objection Period” is the 60-day period following issuance of the Class Notice.

15. “Opt-Out Member” is any individual identified as a member of the Settlement Class who has timely exercised their option to opt out of the Settlement. However, any of the 12 (twelve) Class Members who previously opted out of the liability class may choose to participate in the settlement by submission of Claim Forms on or before the Bar Date should they so choose, and in so doing would not be an Opt-Out Member and would be bound by the terms of this Settlement Agreement.

16. “Objection” means any written statement opposing the terms of the Settlement Agreement that is timely submitted to the Claims Administrator and emailed by the Claims Administrator to all counsel.

17. “Preliminary Approval” means the issuance of an Order by the Court (“Preliminary Approval Order”) substantially in the form of Exhibit A hereto, preliminarily approving the Settlement Agreement, authorizing the dissemination of the Class Notice, and setting a date for the Fairness Hearing and a briefing schedule for Plaintiffs’ motion for attorneys’ fees, expenses, and costs.

18. “Final Approval” means the issuance of an Order or Judgment by the Court (“Final Approval Order”) approving the terms of this Settlement Agreement.

19. The “Effective Date” means the date on which the Court issues a Final Approval Order.

20. The “Settlement Claim Procedure” means submitting to the Claims Administrator, prior to the Bar Date, claims for Settlement Awards as described in Section G below.

21. The “Bar Date” means the deadline by which any Settlement Class Member, or Purported Class Member who has established that they are a Settlement Class Member pursuant to paragraph 4, must complete the Settlement Claim Procedure in order to receive payment. The Bar Date will be 180 days after the Effective Date. However, either party may apply to the Court to extend the Bar Date upon a showing of good cause. If not on consent, the opposing party shall have an opportunity to set forth the basis for its opposition.

22. The “City” means the City of New York.

23. “Released Persons” means the defendants and their predecessors, successors, or assigns, together with past, present, and future officials, employees, representatives and agents of the City, TLC, and OATH.

24. “Settlement Amount” is the total amount defendants have agreed to pay, inclusive of awards to Class Members, Attorneys’ Fees, Expenses, and Costs, including but not limited to the costs of a Claims Administrator, and totals \$140,000,000 (one hundred and forty million dollars).

25. “Net Settlement Amount” is the total amount to be distributed to Settlement Class Members after deduction of Attorneys’ Fees, Expenses, Costs, and any applicable statutory liens or other required deductions.

26. “Individual Settlement Award” is the amount to be awarded to an individual class member in accordance with this Settlement Agreement.

27. “Claims Administrator” means the company retained by plaintiffs’ counsel with the consent of defendants’ counsel to administer and process the claims for Individual Settlement Awards to be submitted by Class Members.

28. The “Trial Class Members” are Abdoul Diane, Souleymane Diaby, Khadim Diop, Carlos Gonzabay, Dilawer Khan, Kevin O’Malley, Lenny Polanco, Olson Weekes, Ning Zhang, and Kamara-Jai Njenga Warren.

B. TERMS AND EFFECTS

29. Following the Effective Date and the conclusion of the administration of this Settlement, the Action will be dismissed by the Court with prejudice as to the Named Plaintiffs and as to all the Settlement Class Members who do not opt out, without attorneys’ fees, expenses, or costs in excess of the amounts to be awarded under the terms of this Settlement Agreement. The dismissal will be without prejudice only as to any Opt-Out Member and as to any Purported Class Member. Any Opt-Out Members and any Purported Class Members may seek to recover their individual damages by filing their own lawsuit. Defendants reserve their defenses, if any, as to any action commenced by a Purported Class Member or Opt-Out Member, including applicable statute of limitations defenses.

30. This Settlement Agreement, as of the Effective Date, resolves in full all claims against the Released Persons by the Settlement Class Members and Named Plaintiffs. As of the Effective Date, Settlement Class Members, whether or not they participate in the Settlement

Claim Procedure, waive and release all Defendants, as well as all their successors and assigns, and any and all past or present officials, employees, representatives, and agents of TLC, OATH, and the City, as well as all their successors or assigns, from any and all liability, claims, or rights of action, whether joint or several, known or unknown, which the Settlement Class Members and Named Plaintiffs had or may have against any of the above which arises from the acts or omissions complained of in the Action, including all claims for attorneys' fees, expenses, and costs accrued to the date of the execution of the releases referred to herein.

31. Defendant City of New York agrees to pay the Settlement Amount by check payable to a bank account to be designated by the Claims Administrator and delivered in a manner to be determined. The Settlement Amount will be due ninety (90) days after the Final Approval Date. No payment shall be made to any Class Member by the Claims Administrator prior to the expiration of agreed-upon or statutory time periods for review for required deductions and notifications as described in paragraph 41 below, or prior to the deduction of any such amounts and deduction of fees, costs, and expenses.

C. APPLICATION FOR APPROVAL

32. Plaintiffs shall submit to the Court a motion requesting that the Court enter a Preliminary Approval Order substantially in the form of Exhibit A hereto. That motion shall request that the Court preliminarily approve the following: (a) this Settlement Agreement; (b) the designation of Class Counsel; and (c) the form and content of the Class Notice attached hereto as Exhibit B. The motion for Preliminary Approval shall advise the Court that Class Counsel will seek attorneys' fees, expenses, and costs as part of plaintiffs' motion for final approval, or by separate motion should the Court so require, and request that the Court set a date for a Fairness Hearing in June 2025.

33. Pursuant to the Class Action Fairness Act (CAFA), 28 U.S.C §§ 1711 *et seq.*, within ten (10) days of submission to the Court of the motion for a Preliminary Approval Order, notice shall be provided by Defendants to all officials required by 28 U.S.C § 1715(b).

34. No later than 21 days prior to the Final Approval Hearing, Plaintiffs shall submit a motion for final approval of this Settlement Agreement to the Court that shall include a proposed Final Approval Order and a request for attorneys' fees, expenses, and costs, unless a separate motion is required by the Court. The proposed Final Approval Order shall comply with Fed. R. Civ. P. 23(c)(3) and shall not be entered less than 90 days after CAFA notice is provided as set forth in paragraph 33 pursuant to 28 U.S.C § 1715(d). The motion for a Final Approval Order shall request that the Court:

- a. approve finally this Settlement Agreement and its terms as being a fair, reasonable and adequate settlement as to the Settlement Class within the meaning of Rule 23 of the Federal Rules of Civil Procedure and direct its effectuation according to its terms;
- b. direct that the Action against Defendants be dismissed with prejudice and that all claims therein against Defendants be dismissed with prejudice, without attorneys' fees, expenses, or costs except as provided for in this Settlement Agreement;
- c. retain exclusive jurisdiction over the Settlement and this Settlement Agreement, including the administration and effectuation of this Settlement; and
- d. list all Settlement Class Members who have timely elected to exclude themselves from the Settlement Agreement (*i.e.*, "Opt-Outs").

35. If this Settlement Agreement is finally approved by the Court in its current form or in a form not materially different therefrom, the Parties agree not to take any appeal from entry of the Final Approval Order.

36. Any person who is entitled to be a member of the Settlement Class, but who has opted out of the class pursuant to Section H or I herein, shall not participate in any monetary or other benefits provided by this Settlement Agreement.

37. Class Counsel will take all necessary and appropriate steps to obtain approval of this Settlement Agreement and dismissal of this action. Defendants shall in good faith cooperate with Class Counsel to obtain approval of this Settlement Agreement and dismissal of this action.

D. PAYMENT AND NOTICE

38. The Notice Plan is as follows: within 14 (fourteen) days of the entry of the Preliminary Approval Order, Class Notice as set forth in Exhibit A shall be sent by Plaintiffs' counsel or the Claims Administrator to Class Members via first-class mail, and where available, via email and text message. Where appropriate, plaintiffs' counsel or the Claims Administrator shall make subsequent efforts to send the Class Notice to Settlement Class Members.

39. Any Settlement Class Member who chooses to Opt Out of or submit an Objection to the Settlement Agreement must submit the appropriate document to the Claims Administrator (who will provide copies to counsel) in accordance with the instructions set forth in the Class Notice and as set forth in paragraphs 60 through 63 herein, no later than sixty (60) days after Class Notice is issued. Any objections or opt-out forms will be referenced and addressed in the Motion for Final Approval.

40. Settlement Awards will be made based on the criteria set forth in the chart below:

	Number of Class Members (estimated)	Per Person Initial Distribution Cap (prior to deductions for attorneys' fees, expenses, and costs)
Suspended for 25 days or fewer	1,462	\$700
26-31 total days suspended	243	\$750
32 to 60 total days suspended	895	\$21,000
61 to 90 total days suspended	695	\$24,000
91 to 120 total days suspended	926	\$27,000
121 to 210 total days suspended	1,212	\$30,000
211 to 390 total days suspended	870	\$33,000
Suspended for 391 days or more	711	\$36,000
No Suspension End Date	1,239	\$17,000
Did not request hearing	11,256	37.5% of amounts distributed in accordance with the above categories

For Settlement Class Members who had multiple suspensions within the class period, the lengths of their suspensions will be added together to calculate their suspension length; provided that any suspension lasting fewer than 32 (thirty-two) calendar days will not be counted toward a cumulative number of suspension days. Any Class Member who wishes to dispute their category may do so via submission of documentation and/or written explanation to the Claims

Administrator, who shall make best efforts to resolve said dispute and shall then report their recommendation for said resolution to counsel for the parties for review.

41. There are certain liens, judgments, obligations, and other statutory deductions that may apply to Settlement Class Members' Individual Settlement Awards, and it will be necessary for the Claims Administrator and/or the City to review and check for the applicability, if any, of such liens, judgments, obligations, and statutory deductions to the Individual Settlement Awards to be made to Class Members prior to any disbursement. However, the City shall not assert any public assistance or Medicaid liens with respect to settlement payments herein. The Claims Administrator shall not disburse any payments to any Settlement Class Member until such notification and review has been completed, related or statutory time periods have expired, and any applicable deductions have been taken upon direction to the Claims Administrator from the City of New York or the State of New York. The City, Class Counsel, and the Administrator will comply with any provisional remedies obtained by the New York State Office of Victim Services (OVS), as authorized by N.Y. Exec. Law § 632-a, including but not limited to attachment, injunction, receivership, and notice of pendency with respect to any payment at or over \$10,000 (ten thousand dollars) made hereunder. OVS may be notified in advance of any relevant pending payments to Settlement Class Members. The City shall notify the Claims Administrator of any such deductions that are to be taken, and the Claims Administrator may communicate such notification to Class Counsel. The Claims Administrator shall pay, or shall facilitate payment of, the liens or other statutory deductions as applicable. Nothing herein shall limit the City's authority to assert public assistance or Medicaid liens outside of this settlement agreement. Payment of Settlement Awards shall not be delayed to any Settlement Class Members who are not subject to any deductions and/or notifications described within this paragraph.

Payments of Settlement Awards to Settlement Class Members whose Settlement Awards are subject to deductions shall be made by the Claims Administrator as soon as reasonably practicable after completion of review, notification (if applicable), and payment of any applicable deductions. The timelines for such review, and notification (if applicable), and subsequent deductions (if applicable) shall be pursuant to statute or regulation or, in the absence of an applicable statutory or regulatory provision, as soon as reasonably practicable.

42. Settlement Awards are to be distributed based upon timely submission of claims documents; Settlement Award amounts will depend upon the number of valid claims submitted. Should the total number of valid claims submitted multiplied by the caps in the chart above exceed the Net Settlement Amount, the Settlement Awards shall be reduced pro rata. To the extent that, following the above distribution of Settlement Awards after deduction of costs, expenses, and attorneys' fees and other required deductions as set forth in the preceding paragraph, funds remain in the Settlement Amount, a second round of distribution, also subject to the deductions referenced in the preceding paragraph, may proceed upon the following conditions (within 6 months of the initial distribution): if after the first distribution, more than \$250,000 (two hundred fifty thousand dollars) of the Settlement Amount is unclaimed, 60% (sixty percent) of the total amount remaining, up to a maximum of \$22,500,000 (twenty-two million five hundred thousand dollars) of the unclaimed amount may be redistributed to Settlement Class Members who timely complete the Settlement Claim Procedure (to be distributed *pro rata*, with a cap of an additional 35% (thirty-five percent) of the original Settlement Award per person). The remaining 40% (forty percent) of unclaimed Settlement Amount will revert to the City. If less than \$250,000 (two hundred fifty thousand dollars) in settlement funds remain unclaimed after the initial distribution, that amount will revert to the City without any second distribution. Any unclaimed

settlement amounts in excess of \$22,500,000 (twenty-two million five hundred thousand dollars) will revert to the City. If there are any unclaimed settlement amounts after the second round of distribution, those amounts will revert to the City.

43. The Claims Administrator shall, as directed by Plaintiffs' counsel, send Settlement Class Members reminders to submit claims, as well as to cash their settlement checks. Class Counsel shall work with the Claims Administrator to ensure that checks are reissued as needed. The value of any uncashed checks shall be deposited with the New York State unclaimed funds account (so that Settlement Class Members may obtain their payments later from that fund).

44. To facilitate notice to Settlement Class Members, TLC has produced to Class Counsel a list of names of potential Settlement Class Members, together with the last known addresses, email addresses, and telephone numbers to the extent available from the taxi or for-hire vehicle driver records maintained by the TLC ("List"). Class Counsel agree that the information on the List provided by TLC shall be used for the sole purpose of providing notice to the Settlement Class. Defendants make no representation that such information provided from TLC records is accurate or current. Except for official business of the TLC, the contents of, and information on, the List shall remain confidential and may not be disclosed in any manner to any member of the public by Class Counsel or Defendants' Counsel.

45. The plaintiffs shall apply for Preliminary Approval of the Settlement Class and designation of Class Counsel as set forth in Paragraph 32 above. Upon such approval, and with consent of Defendants' Counsel, which shall not be unreasonably withheld, Class Counsel will retain a Claims Administrator to undertake providing Class Notice and distribution of Settlement Awards, to Settlement Class Members. The cost of the Claims Administrator shall be paid from the Settlement Amount.

46. The initial Notice of Class Action Settlement, a copy of which is annexed hereto as Exhibit A and is subject to Court approval, will be sent by plaintiffs or the Claims Administrator by first class mail, email, and text message (to the extent information is available) to all Settlement Class Members known to TLC at their last known address. Such notice will include: (a) a summary of the terms of the settlement; (b) information as to the Settlement Class Member's right to contest the settlement by first filing a written objection within the time period required and then appearing in person or through their own counsel at a Fairness Hearing on a date to be determined by the Court; (c) an explanation of the procedure to opt out of the Settlement; and (d) an explanation of the Settlement Claim Procedure.

47. In the event that the first mailing of the Class Notice to an individual Settlement Class Member is returned by the United States Postal Service or an email is returned as undeliverable, and prior approval is obtained from the Court for the release of social security numbers, the City shall provide social security numbers of those individuals whose first mailing was returned or email was undeliverable, subject to a confidentiality agreement, for the limited and sole purpose of verifying addresses and mailing or emailing the Class Notice. The City will take no position on an application for the release of social security numbers under these circumstances. Regardless of whether an application for the release of an Individual Settlement Class Member's social security number is made, the Claims Administrator is authorized to conduct a skip trace (as well as any other lawfully available means) to find a valid address, email address, and/or phone number so that notice may be effectuated.

E. ATTORNEYS' FEES, COSTS, AND EXPENSES

48. Plaintiffs shall seek attorneys' fees, costs, and expenses in connection with their Motion for Final Approval, or by separate motion should the Court so require. Class Counsel will request no more than twenty-five percent (25%) of all funds distributed to Settlement Class

Members and Named Plaintiffs. Defendants reserve the right to oppose the amount of such request. Any and all fees and costs awarded by the Court shall reduce and be deducted from the Settlement Amount before distributions of Settlement Awards are made to the Settlement Class Members.

F. SERVICE AWARDS TO NAMED PLAINTIFFS

49. The City will pay a \$15,000 service award to each Named Plaintiff in addition to their respective Settlement Award, provided that each Named Plaintiff satisfactorily completes the Settlement Claim Procedure. Such service awards shall be paid out of the \$140,000,000 Settlement Amount and shall be subject to the deductions set forth in paragraph 41.

50. In consideration of receiving a Settlement Award and service award, the Named Plaintiffs agree to the dismissal with prejudice of all claims against the Defendants, and release all Defendants, as well as all their successors and assigns, and any and all past or present officials, employees, representatives, or agents of TLC, OATH, or the City, as well as all their successors or assigns, from any and all liability, claims, or rights of action, whether joint or several, known or unknown, which Named Plaintiffs had or may have against any of the above which arises from the acts or omissions complained of in the Action, including all claims for attorneys' fees, expenses, and costs to the date of the execution of the releases referred to herein.

G. PROCEDURE FOR MAKING CLAIMS AND PAYMENTS

51. Settlement Class Members will be eligible for and receive Settlement Awards conditioned upon timely completion of the Settlement Claim Procedure set forth herein and after Court-awarded attorneys' fees, expenses, and costs and other required deductions as set forth in paragraph 41 are deducted. To be eligible to receive a Settlement Award, a Settlement Class Member or Named Plaintiff must, *inter alia*, submit a completed and legible Claim Form, which shall include both an attestation as described in the paragraph immediately below and an executed individual release; and a City of New York Substitute Form W-9, on or before the Bar

Date. A Purported Class Member who has provided satisfactory proof of membership in the Settlement Class must also timely submit the above-referenced documents in order to be eligible to receive a Settlement Award. Documents shall be deemed submitted upon being mailed or by electronic submission.

52. To receive a Settlement Award, a Settlement Class Member must attest that, were constitutionally adequate post-suspension administrative hearings with TLC or OATH available, they (a) would have requested such a hearing; and (b) believe in good faith that they would have prevailed at such a hearing.

53. The Claims Administrator shall make available on a website the Class Settlement Notice and Claim Form. The Claims Administrator shall also mail and email copies of the Class Settlement Notice and Claim Form, as well as send a text message with the link to the claim form and website.

54. Settlement Class Members (or their successors or heirs) must submit the Claim Form documents by the Bar Date. Either party may apply to the Court to extend this deadline upon a showing of good cause. If not on consent, the opposing party shall have an opportunity to set forth the basis for its opposition.

55. Settlement Class Members who complete the Settlement Claim Procedure will be sent their Settlement Award by mail.

56. Settlement Awards pursuant to this Settlement Agreement will not be made to agents for Settlement Class Members other than Court-appointed legal representatives or other representatives who satisfactorily establish their authorization to receive settlement payments for class members. Settlement Awards may be made to legal heirs of deceased Settlement Class Members conditioned on completion of the Settlement Claim Procedure and furnishing of

adequate proof of identity and death of the Settlement Class Member and legal entitlement of the claimant.

57. Class Counsel and Counsel for Defendants will make best efforts to jointly determine whether Purported Class Member qualify as Settlement Class Members; similarly, to the extent that any Settlement Class Members dispute their Settlement Award, counsel shall make best efforts to resolve such disputes. To the extent that Class Counsel and Counsel for Defendants cannot reach agreement, such issues will be submitted to the Court for resolution.

58. Unless good cause is shown for extending the Bar Date, which shall be either agreed to by the Parties or resolved by the Court if there is a dispute, any Settlement Class Member who fails to complete the Settlement Claim Procedure by the Bar Date shall be forever barred from receiving a Settlement Award pursuant to this Settlement Agreement. Such Settlement Class Member shall in all other respects be bound by all terms of this Settlement Agreement, and by the Final Approval Order, including but not limited to the release of all Released Persons of all claims as provided herein.

59. No later than 10 days after the Bar Date or Extended Bar Date, if any, the Claims Administrator shall provide the Final Class List to the City. The Final Class List shall be in Excel spreadsheet form and will include the following information for each Claiming Settlement Class Member: name; address; date of birth; social security number or TIN; and anticipated payment (Individual Settlement Award), after deduction of attorneys' fees, expenses, and costs. The City may use the information contained in the Final Class List (and in the interim lists described below) to comply with the process described in paragraph 41 above to determine whether each Claiming Settlement Class Member's net payment amount must be reduced pursuant to any statutorily-required deductions as described in paragraph 41. The Claims Administrator

may, at the direction of Class Counsel, provide interim Class Lists every 60 days following the distribution of Notice to Settlement Class Members. Any interim Class List shall also be in Excel Spreadsheet format and shall also include the information set forth above for the Final Class List. A Final Class List generated as of the Bar Date shall include all Claiming Settlement Class Members as well as tabs for any interim Class Lists.

H. OPT-OUT AND OBJECTION PROCEDURES

60. A Settlement Class Member, including a Trial Class Member, who wishes to be excluded from the Settlement Agreement described herein may opt out via notice to the Claims Administrator received within the Opt-Out or Objection Period. A Settlement Class Member, including Trial Class Members, who does not Opt Out, may object to the terms of this Settlement Agreement within the Opt-Out or Objection Period. Any member of the Settlement Class who wishes to opt out of the Settlement Class must mail written notice to the Claims Administrator (who shall promptly provide copies to counsel) within the Opt-Out or Objection Period. The request to opt out need not be in any particular form, but it must include the following information: (1) the Settlement Class Member's name, address, email address, and telephone number; (2) a statement that the Settlement Class Member wishes to be excluded from the Settlement Class; (3) the Settlement Class Member's notarized signature; and (4) the following case name and number: *Nnebe et al. v. Daus, et al.*, 06 CV 4991 (RJS).

61. Any member of the Settlement Class who does not file a timely written request to opt out shall be included in the Settlement Class and shall be bound by all subsequent proceedings, orders, and judgments in this action, including but not limited to the release of Released Persons as provided herein.

62. Any Settlement Class Member, including any Trial Class Member, who does not opt out may object to the fairness, reasonableness, or adequacy of the proposed Settlement

Agreement. A written objection must be mailed to the Claims Administrator (who will provide copies to counsel) and must include (1) the Settlement Class Member's name, address, and telephone number; (2) a statement of the objection(s) or reasons for objecting to the Settlement Agreement, and any supporting evidence; (3) the Settlement Class Member's signature; and (4) the case name and number: *Nnebe et al. v. Daus, et al.*, 06 Civ. 4991 (RJS).

I. TRIAL CLASS MEMBERS OPT-OUT PROCEDURE

63. The Trial Plaintiffs shall be considered members of the Settlement Class. Trial Class Members will receive Settlement Awards upon the same terms as other Settlement Class Members, plus service awards of \$15,000 each and will forego the verdict amounts from the November 2023 trial (Dkt 656 Exhibit 19), and their respective judgments (Dkt 679) shall be vacated subject to the following: each Trial Class Member has the same right to opt out as any other Settlement Class Member; any Trial Plaintiff who chooses to opt out will receive their respective judgment amount (Dkt. 679) and will forego all Settlement Awards, including service awards. The City waives all rights to appeal any of the Trial Class Members' judgments. The request to opt out need not be in any particular form, but it must include the following information: (1) the Settlement Class Member's name, address, email address, and telephone number; (2) a statement that the Settlement Class Member wishes to opt out of the Settlement Class; (3) the Settlement Class Member's signature; and (4) a reference to the following case name and number: *Nnebe, et al. v. Daus, et al.*, 06 CV 4991 (RJS). The request must be sent to the Claims Administrator, with copies to be sent by the Claims Administrator to all counsel. The ten class members who were awarded \$1.00 each per the Court's Judgment (Dkt. 679) are not entitled to any Settlement Award. The 12 Class Members who opted out as set forth in Dkts. 544 and 550 and who did not submit settlement claim forms on or before the Bar Date, as set forth in paragraph 15, are not entitled to any Settlement Award.

J. MISCELLANEOUS

64. This Settlement Agreement contains all the terms and conditions agreed upon by the parties hereto; no oral agreement entered into at any time, nor any written agreement entered into prior to the execution of this Settlement Agreement regarding the subject matter of the instant proceeding shall be deemed to exist, or to bind the parties hereto, or to vary the terms and conditions contained herein.

65. The parties have reviewed and revised this Settlement Agreement, and no rule of construction by which any ambiguities are to be resolved against the drafting party shall be applied in the interpretation of this Settlement Agreement.

66. This Settlement Agreement shall not be admissible in, nor is it related to, any other settlement negotiations or litigation against the City or any of its agencies, except in a proceeding to enforce the terms of this Settlement Agreement.

67. Any disputes relating to this Stipulation shall be resolved in accordance with this paragraph. First, counsel for each party shall notify counsel for the other party in writing of any perceived non-compliance or dispute by either party. Second, unless otherwise agreed to by the parties, with respect to any particular dispute, the parties agree to meet and confer in good faith within fourteen (14) days after a written notification of a dispute is raised by any of the parties to discuss and try to resolve such dispute without the assistance of the Court. Third, if the parties are unable resolve the dispute, any party may, within forty-five (45) days of the final meet and confer, seek relief from this Court on the dispute, which shall retain jurisdiction for all purposes.

March 14, 2025

Counsel for Plaintiffs:

Daniel Ackman

DANIEL ACKMAN, Counsel for Plaintiffs

David Goldberg

DAVID GOLDBERG, Counsel for Plaintiffs

Shannon Liss-Riordan

SHANNON LISS-RIORDAN, Counsel for Plaintiffs

Bradley Manewith

BRADLEY MANEWITH, Counsel for Plaintiffs

Counsel for Defendants:

MURIEL GOODE-TRUFANT, Corporation Counsel for the City of New York, Attorney for Defendants

By:

Amy J. Weinblatt

AMY J. WEINBLATT
Assistant Corporation Counsel

By:

Marcy J. Simone

MARCY J. SIMONE
Assistant Corporation Counsel

EXHIBIT 2

**YOU MAY BE A CLASS MEMBER IN A \$140 MILLION SETTLEMENT WITH THE
NEW YORK CITY TAXI & LIMOUSINE COMMISSION (TLC)**

**TO CLAIM YOUR PAYMENT, YOU MUST SUBMIT YOUR CLAIM FORM ONLINE
OR RETURN THE ENCLOSED CLAIM FORM BY MAIL, FAX, OR EMAIL**

For more information on the settlement, please read the enclosed notice.

Nnebe et al. v. Daus, et. al. (Docket No. 06-cv-4991)

March __, 2025

Dear New York taxi, app, or for-hire-vehicle driver:

We are attorneys who represent you in a federal certified class action case that challenged the New York City TLC's policy of suspending drivers' licenses because they were arrested and also challenged the constitutionality of TLC's hearing procedures for seeking to lift these post-arrest suspensions.

We won this case for you in court with respect to the post-suspension hearing procedures and have now reached a **\$140 million class action settlement** with New York City.

In order to claim payment from the settlement, **you must submit a claim form** either online at **[LINK]** or by returning the attached form by mail, fax, or email at the following address:

**TLC Driver Suspension Case
Claims Administrator
[CONTACT INFO]**

To receive your payment after final Court approval, you will also need to submit a City of New York Substitute Form W-9 to the Claims Administrator. **If you have any questions, please contact us by email at [EMAIL] or by phone at [NUMBER].**

You can also reach out to the **New York Taxi Workers Alliance (NYTWA)**, a named plaintiff in this lawsuit with whom we are working on this case. You can reach NYTWA at **[PHONE]** or **[email]**.

Sincerely,

Shannon Liss-Riordan
Lichten & Liss-Riordan
www.llrlaw.com

tlcsuspensioncase@llrlaw.com

Law Office of Daniel L.
Ackman
d.ackman@comcast.net

David T. Goldberg
Donahue & Goldberg

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JONATHAN NNEBE, <i>et al.</i> , Plaintiffs, -v- MATTHEW DAUS, <i>et al.</i> , Defendants.	No. 06-cv-4991 (RJS)
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NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

To: All Taxi or For-Hire Vehicle Drivers whose licenses were suspended by the NYC Taxi and Limousine Commission (TLC) based on their being arrested on criminal charges between June 28, 2003 and February 18, 2020

THE CITY OF NEW YORK HAS AGREED TO A \$140 MILLION SETTLEMENT TO BE DISTRIBUTED TO TLC DRIVERS WHOSE LICENSES WERE SUSPENDED FOLLOWING AN ARREST. YOU ARE A CLASS MEMBER IN THIS LITIGATION AND MAY BE ENTITLED TO PAYMENT FROM THIS SETTLEMENT.

IN ORDER TO CLAIM YOUR PAYMENT, ASSUMING COURT APPROVAL OF THIS CLASS SETTLEMENT, YOU NEED TO RETURN THE ATTACHED CLAIM FORM OR SUBMIT YOUR CLAIM ONLINE HERE.

TRANSLATED VERSIONS OF THIS NOTICE ARE AVAILABLE AT WWW.TLCSUSPENSIONCASE.COM [TRANSLATE THIS STATEMENT INTO LANGUAGES THAT NOTICE WILL BE TRANSLATED INTO]

This Notice is to explain to you:

1. What the lawsuit is about
2. The amount of the proposed settlement and how it will be disbursed
3. Your options as a member of the Settlement Class
4. How to get more information about the lawsuit and settlement

1. What is the Lawsuit about?

There were two related lawsuits: *Nnebe et al. v. Daus, et al.* (Case No. 06-cv-4991) and *Stallworth, et al. v. Joshi, et al.* (Case No. 17-cv-7119). *Stallworth* was closed by the Court and claims and parties have been continued in the *Nnebe* action.

The *Nnebe* action was filed in federal court in 2006 by several TLC drivers and the New York Taxi Workers Alliance (NYTWA). After years of litigation, in 2019, the U.S. Court of Appeals for the Second Circuit ruled that TLC denied suspended drivers their constitutional rights to due process of law because drivers who had been summarily suspended following an arrest did not receive constitutionally-sufficient hearings to provide them an opportunity to contest their license suspension.

In March 2022, the District Court certified a liability class of all Taxi or For-Hire Vehicle Drivers whose TLC licenses were suspended based on arrest any time between June 28, 2003, and February 18, 2020. The Court ruled that all drivers who are members of this class would be entitled to at least nominal damages of one dollar. However, to recover more than nominal damages, class members would need to prove their individual damages at a separate hearing. Thereafter, notice was given to class members that they could request an individual damages hearing.

In November 2023, a bellwether trial was held regarding damages. The Court randomly selected 20 class members who had requested a damages hearing to participate in the bellwether trial. The jury found in favor of the 10 class members who participated in the trial and awarded them damages. The 10 class members who were selected for the trial, but did not participate in the trial, were limited to recovering nominal damages.

Following the November 2023 bellwether trial, the parties agreed to mediate the case. After extensive discussions presided over by a federal magistrate judge and an experienced private mediator, the parties reached this proposed class settlement.

2. What is the Settlement Amount and how will it be distributed?

Under the proposed settlement, the City of New York will pay \$140 million (“the Settlement Amount”). A hearing on the final approval of the settlement is currently scheduled for **[INSERT DATE AND TIME]**. Subject to Court approval, up to twenty-five percent of the Settlement Amount that is claimed by class members may be paid from the Settlement Amount for the attorneys’ fees. Additionally, subject to Court approval, up to \$15,000 each will be paid from the Settlement Amount to seven individually named plaintiffs and the New York Taxi Workers Alliance, as incentive payments for their services in bringing this lawsuit and serving as Class Representatives. Similarly, subject to Court approval, the ten class members who appeared at the 2023 bellwether trial and won their claims before a jury may have the option of receiving \$15,000 each as incentive payments should they choose to forgo their verdict amounts. The Court may also approve the payment of expenses for pursuing this litigation from the Settlement Amount, including the expenses of notifying class members and administering the settlement.

For complete information about the Settlement or to view the Settlement Agreement or related Court documents, you can contact the Claims Administrator or Class Counsel at the contact information provided below.

The remainder of the Settlement Amount will constitute the Net Settlement Amount and will be distributed to class members who submit timely claims as described below. Settlement Class Members who submit timely Claim Forms will receive a pro rata share based on the length of time their TLC license was suspended according to TLC’s records and whether they previously requested an individual damages hearing. The table below shows the potential settlement amounts:

	Per Person Initial Distribution Cap Amounts (prior to deductions for attorneys’ fees, expenses, and costs)
Suspended for 25 days or fewer	\$700
26-31 total days suspended	\$750
32 to 60 total days suspended	\$21,000
61 to 90 total days suspended	\$24,000
91 to 120 total days suspended	\$27,000

121 to 210 total days suspended	\$30,000
211 to 390 total days suspended	\$33,000
Suspended for 391 days or more	\$36,000
No Suspension End Date	\$17,000
Did not request an individual damages hearing	37.5% of amounts distributed in accordance with above categories

The exact amount that you will receive from the Net Settlement Amount will depend upon the number of individuals who submit timely and valid Claim Forms. The final payment that you may receive may be greater or less than the amounts listed above. Certain legally-required deductions, including but not limited to overdue child support and docketed NYC parking judgments, and New York State Exec. Law Section 632-a deductions, where applicable, will be deducted from payments. The Claims Administrator will mail to Class Members who submit timely Claim Forms their pro rata share of the initial settlement payment (see below paragraph regarding possible second distribution) after the City of New York provides the Settlement Amount. As part of the Claim Form, you must affirm that had constitutionally adequate post-suspension hearings been available, you (1) would have requested such a hearing to challenge your post-arrest suspension and (2) believe in good faith that you would have succeeded at such a hearing and your TLC license suspension would have been lifted.

If, following the initial distribution of Settlement Awards, funds remain in the Settlement Amount, a second round of distribution may occur pursuant to the following conditions: if after the first distribution, more than \$250,000 of the Settlement Amount is unclaimed, 60% of the total amount remaining, up to a maximum of \$22,500,000 of the unclaimed amount may be redistributed to Class Members who timely filed claims (to be distributed pro rata, with a cap of an additional 35% of the original Settlement Award per person). The remaining 40% of the unclaimed Settlement Amount will be returned to the City. If less than \$250,000 in settlement funds remain unclaimed after the initial distribution, that amount will be returned to the City without any second distribution. Any unclaimed settlement amounts in excess of \$22,500,000 will be returned to the City. If there are any unclaimed settlement amounts after the second round of distribution, those amounts will be returned to the City.

Class Counsel strongly believe that this is a favorable settlement. While the ten class members who participated in the bellwether trial in 2023 prevailed on their claims before a jury, other Class Members face a risk that they would not be awarded damages during their individual damages hearings. There would also be difficulties and delays in many other Class Members obtaining damages hearings. The Court also ruled that Class Members had to request a damages hearing by January 2023; those Class

Members who did not request a hearing by that date would not have been able to seek a hearing as part of this case (and would have had to pursue a separate case). As noted in the chart above, Class Members who did not previously request a damages hearing may claim a payment under the settlement, but at a lower rate than Class Members who did request a damages hearing in this case.

If the Court grants final approval of the Settlement, the lawsuit will be dismissed with prejudice against Defendants and, unless you specifically exclude yourself from the settlement as described below, you will fully release and discharge Defendants from any and all claims that are asserted in the lawsuit. When claims are “released,” that means that a person covered by the release cannot sue Defendants for any of the claims that are released. The claims you are releasing as a member of this settlement are listed at the bottom of the claim form you are required to sign to receive your share of the Settlement.

3. What are your options?

You can participate in the settlement and claim payment or, if you do not want to accept the settlement, you have the right to object to the fairness of this settlement, or to opt out of the settlement. To do either, you must follow the instructions below.

In order to participate in the settlement and receive your payment, you must complete, sign, and send the attached Claim Form to Class Action Administrator by U.S. mail, fax, or e-mail at the address below, or you may submit your claim online at [LINK].

[INSERT CLAIMS ADMINISTRATOR CONTACT INFORMATION]

To receive your payment after final Court approval, you will also need to submit a City of New York Substitute Form W-9 to the Claims Administrator.

If you wish to object to the proposed settlement, you must mail your written objection as soon as possible, but no later than **[Response Deadline – 60 days after notice sent]**, to the Claims Administrator. Your written objection must set forth: (1) your name, address, and telephone number; (2) why you object and any legal or factual arguments supporting the objection; (3) your signature; and (4) the case name and number: *Nnebe et al. v. Daus, et al.*, 06 Civ. 4991 (RJS).

There will be a court hearing on **[INSERT DATE AND TIME]**, at the United States District Court, Southern District of New York, 500 Pearl Street, New York, NY 10013, Courtroom **[INSERT]**, at which time Judge Richard J. Sullivan will decide whether to grant final approval of the settlement. You are free to attend this hearing, and if the court permits, voice any objection you may have.

If you would prefer not to be bound by this Settlement, you may opt out of the settlement by mailing a request for exclusion to the Claims Administrator no later than **[Response Deadline – 60 days after notice sent]**. This request for exclusion should

include your name and address, and should state: (1) that you are requesting to be excluded from the class settlement in the case *Nnebe et al. v. Daus, et al.*, 06 Civ. 4991 (RJS); and (2) that you understand that by excluding yourself from the settlement, you will receive no funds in conjunction with the case. If you exclude yourself, you will not participate in these proceedings, nor will you receive any money from the Settlement Amount. You will retain the right to pursue your claims against Defendants in a separate lawsuit you may bring on your own. **If you decide to opt out of the settlement, Class Counsel will no longer represent you regarding your claims against Defendants, and you will not receive any payment under this settlement. You have the right to consult with an attorney of your choosing should you care to do so.**

If you do not return the Claim Form enclosed with this Notice to claim payment under this Settlement Agreement, and you do not submit a request for exclusion from settlement, you will not receive any money from the settlement. You will, however, remain a member of the Settlement Class, and therefore will release your claims against Defendants.

If you have any questions about the settlement, please feel free to contact Class Counsel at the contact information listed below. Please do not contact the Court Clerk, the Judge, or defense counsel.

4. How can you get more information?

This Notice is only a summary; it does not fully describe the claims and defenses of the parties, or the full terms of the proposed settlement. The pleadings and all other records in this litigation may be examined during regular business hours at Daniel Patrick Moynihan U.S Courthouse, 500 Pearl Street, New York, New York 10007. If you need additional information about the settlement, you may write to Class Counsel by mail at the following addresses or by e-mail at tlcsuspensioncase@llrlaw.com or by calling [NUMBER].

**Shannon Liss-Riordan
Bradley Manewith
Lichten & Liss-Riordan, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116**

**Daniel Lee Ackman
Law Office of Daniel L. Ackman
28 Liberty Street, 6th Floor
New York, NY 10005**

**David T. Goldberg
Donahue & Goldberg, L.L.P.
240 Kent Ave.
Brooklyn, NY 11249**

5. What if my address has changed?

If this Notice was mailed to you at an old address, or if you move, please advise Class Counsel and/or the Claims Administrator of your current address so that you can receive any future notices and your settlement payment (if you do not opt-out of the settlement). If you are not a member of the Class, you may discard this notice

CLAIM FORM

Nnebe et al. v. Daus, et al., 06 Civ. 4991 (RJS)

To claim your share of the settlement proceeds from the *Nnebe et al. v. Daus, et al.*, 06 Civ. 4991 (RJS) class action settlement, please complete and return this form as soon as possible.

Claims Administrator
ADDRESS
CITY, STATE, ZIP
Tel: (617) XXX-XXXX
email@email.com

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone Number: _____

Email address: _____

TLC License Number, if known _____

DOB: _____

To receive your settlement payment, you will need to provide a City of New York Substitute New York City Substitute Form W-9 to the Claims Administrator.

By signing below, I declare under penalty of perjury under the laws of the United States that all the information on this form is true and correct to the best of my knowledge, belief, and recollection.

I am the individual identified above and my TLC license (number above) was suspended after an arrest between June 28, 2003 and February 18, 2020. Were constitutionally adequate post-suspension administrative hearings with TLC or OATH available at the time of this suspension, I would have requested such a hearing to challenge the suspension and I believe in good faith that I would have prevailed at such a hearing.

By signing this form, I hereby agree to forever release, discharge, hold harmless, and covenant not to sue Matthew Daus, Charles Fraser, Joseph Eckstein, Elizabeth Bonina, the New York City Taxi and Limousine Commission, and the City of New York (collectively "Defendants"), as well as all their successors and assigns, and any and all past or present officials, employees, representatives, and agents of TLC, OATH, and the City, as well as all their successors or assigns, from any and all liability, claims, or rights of action, whether joint or several, known or unknown, which I had or may have against any of the above which arises from the acts or omissions complained of in the Action, including all claims for attorneys' fees, expenses, and costs accrued to the date of the execution. The Released Claims specifically include claims for violations of my constitutional rights related to the post-arrest suspension of my TLC license

during the Class Period.

By signing this form, I agree that the U.S. District Court for the Southern District of New York has the authority to rule on my claim for payment as part of the Settlement Class, and that the Court shall maintain jurisdiction of this matter for the purposes of enforcing the settlement and Release as described herein and in the Settlement Agreement.

(Signature)

(Date)