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LYFT, INC.

8 UNITED STATES DISTRICT COURT
9 NORTHERN DISTRICT OF CALIFORNIA
10

11 LYFT, INC., a Delaware corporation,
12 Plaintiff,

13 v.

14 WARREN POSTMAN, an individual citizen
of Virginia, and KELLER LENKNER LLC,
15 an Illinois limited liability corporation,

16 Defendants.
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Case No. 3:18-cv-6978

**COMPLAINT FOR DECLARATORY AND
INJUNCTIVE RELIEF, AND DAMAGES**

DEMAND FOR JURY TRIAL

**PRELIMINARY INJUNCTION MOTION
FILED CONCURRENTLY HEREWITH**

Date Filed: November 16, 2018

Trial Date: None Set

INTRODUCTION

1
2 1. The attorney-client privilege is a bedrock of American law. It is the fundamental
3 safeguard that allows attorneys to communicate confidentially with their clients. In California,
4 the common-interest doctrine enshrines a critical application of the attorney-client privilege. It
5 allows attorneys for one client to collaborate with attorneys for another client in joint-defense
6 groups and in affirmative litigation against a shared adversary. Without the common interest
7 doctrine, an ally’s attorney could walk in the front door of your attorney’s office promising
8 confidential collaboration, acquire your attorney’s core work on your case, and then walk out the
9 door and sue you using that information. Obviously, that would constitute an unacceptable
10 breach of confidence warranting condemnation.

11 2. Plaintiff Lyft, Inc. (“Lyft”) brings this lawsuit against Defendant Warren Postman
12 and his law firm, Defendant Keller Lenkner LLC (together, “Defendants”) for doing exactly that.
13 Postman, a senior attorney for the Litigation Center for the United States Chamber of Commerce,
14 worked hand in hand with senior members of Lyft’s in-house legal team from December 2015 to
15 June 2018 on a variety of common-interest legal issues between Lyft and the Chamber, including
16 two lawsuits against the City of Seattle that the Chamber filed in coordination and collaboration
17 with Lyft.¹

18 3. Starting in 2015, the City of Seattle tried to enact a collective bargaining ordinance
19 that provided independent contractor, “for-hire” drivers (like those operating on the Lyft
20 Platform) the right to collectively negotiate their contracts through “driver coordinators.” Other
21 states, including California and Massachusetts, were considering similar measures at that time.

22 4. The Chamber decided to challenge the Seattle ordinance on the ground that it
23 would violate federal antitrust and labor law. A key issue in the litigation was whether Lyft
24 drivers were properly classified as independent contractors and the Chamber sought Lyft’s help in
25 understanding the facts regarding driver classification on the Lyft platform and the contours of
26 Lyft’s confidential legal strategy on such issues. The Chamber also solicited Lyft’s assistance

27
28 ¹ The lawsuits that Lyft and the Chamber collaborated on against the City of Seattle are on
PACER as: (1) *Chamber of Commerce v. City of Seattle*, No. 2:16-cv-00322 (W.D. Wash. 2016);
and (2) *Chamber of Commerce v. City of Seattle*, No. 2:17-cv-00370 (W.D. Wash. 2017).

1 regarding how the ordinance would have harmed Lyft's operations in Seattle, facts that would
2 provide the Chamber with associational standing in the lawsuit. Lyft agreed to partner with the
3 Chamber on such issues so long as the Chamber never used or disclosed Lyft's privileged and
4 confidential information without authorization. The Chamber agreed.

5 5. The resulting common-interest relationship between Lyft and the Chamber was not
6 a dalliance. In innumerable calls, meetings and emails, Postman repeatedly promised
7 confidentiality to Lyft and acquired privileged and confidential information about Lyft's business
8 operations and its attorneys' core work product on classification issues related to drivers on the
9 Lyft Platform. In fact, when the California Supreme Court signaled that it was about to change
10 classification law in California (and later did so), Postman was there to discuss the issue with
11 Lyft's legal team.

12 6. Lyft needed to share this information with Postman because each of the claims that
13 the Chamber raised in its lawsuits against the City of Seattle relied on the supposition that drivers
14 on the Lyft Platform were properly classified as independent contractors. In other words, if
15 drivers on the Lyft platform should instead have been classified as employees, the Chamber's
16 claims would necessarily fail.

17 7. Postman was only able to acquire this information by repeatedly promising Lyft's
18 legal team that he and other attorneys for the Chamber would maintain Lyft's information in the
19 utmost confidence and would never use or disclose the communications they exchanged.
20 Additionally, during one important visit to Lyft's headquarters in January 2017, Postman signed a
21 non-disclosure agreement with Lyft that also prevents him from using Lyft's confidential
22 information.

23 8. Postman did not live up to his promise. In June 2018, Postman quit the Chamber
24 to join his friends' new plaintiff's firm, Keller Lenkner. Shortly thereafter, and despite having
25 obtained confidential information on such issues from Lyft for several years, Postman and Keller
26 Lenkner apparently began pursuing driver misclassification claims against Lyft with respect to
27 drivers in California and Massachusetts. The City of Seattle litigation and the *Dynamex*-related
28 legal discussions are substantially related to the driver misclassification actions now being

1 asserted by Defendants against Lyft because, among other reasons, they each involve questions of
2 whether Lyft drivers are properly classified as independent contractors. Indeed, in order for
3 Defendant Postman and the Chamber to litigate the City of Seattle litigation, they needed to
4 understand Lyft's classification practices and legal theories.

5 9. Postman must now be held liable to Lyft for his conduct. California law presumes
6 a duty of confidence between persons who convey confidential information with the
7 understanding that they are operating in a confidential relationship. Lyft and Postman, in their
8 common-interest work together, both understood that the information they shared with one
9 another was privileged and confidential. By using and disclosing Lyft's privileged and
10 confidential information to file driver-misclassification claims against Lyft, Postman is in clear
11 breach of his duty of confidence.

12 10. This outrageous breach of confidence warrants immediate relief. California and
13 federal law uniformly agree that the harm caused by the disruption of the attorney-client privilege
14 is irreparable.

15 11. The only way to preserve the confidential nature of Lyft's attorney-client privilege
16 communications and information shared with Postman under the common interest agreement is to
17 disqualify Defendants from litigating misclassification-related lawsuits against Lyft. Under basic
18 conflict of interest rules in California, an attorney *must* be disqualified if he or she *either* (1)
19 possesses confidential information about a non-client from a prior representation (*e.g.*, from a
20 joint-defense group or common-interest relationship); *or* (2) there is a substantial relationship
21 between the two matters (in which case access to confidential information is presumed). Postman
22 is disqualified from representing anyone, including drivers on the Lyft Platform, who raise
23 misclassification-related litigation against Lyft under either standard. Postman possesses
24 privileged and confidential information about Lyft from his prior representation of the Chamber
25 *and* the two matters are far more than substantially related. This conflict of interest is imputed to
26 Keller Lenkner.

27 12. Keller Lenkner is also vicariously liable for Postman's conduct under the doctrine
28 of civil conspiracy because it knew and agreed to use and disclose Lyft's privileged and

1 confidential information, despite their knowledge that Postman had a duty of confidence to Lyft.
2 Indeed, Lyft's outside counsel put Keller Lenkner on notice of Postman's conflict before they
3 filed driver-misclassification claims against Lyft, but Defendants filed the claims anyway.

4 13. Accordingly, Lyft seeks: (a) a preliminary and permanent injunction disqualifying
5 Defendants from representing anyone against Lyft on misclassification-related issues; (b) a
6 declaration of its rights with respect to Lyft's confidential relationship with Postman and whether
7 that confidential relationship precludes Defendants from representing any person against Lyft on
8 misclassification-related issues; and (c) compensatory damages, punitive damages, and
9 consequential damages in an amount well-exceeding \$75,000.

10 14. Given the irreparable nature of the harm that Lyft would incur if Defendants were
11 allowed to use its privileged and confidential information in an adversarial proceeding, Lyft has
12 filed a preliminary injunction motion concurrently with this complaint to expedite the action.

13 **JURISDICTION AND VENUE**

14 15. This Court has diversity jurisdiction under 28 U.S.C. § 1332 because there is
15 complete diversity between the parties and there is more than \$75,000 in controversy and has
16 further remedial authority pursuant to the Declaratory Judgment Act, 28 U.S.C. § 2201 *et seq.*

17 16. Venue properly lies within this District under 28 U.S.C. § 1391(b)(2) because a
18 substantial part of the events or omissions giving rise to this action occurred in this District.
19 Among other things, and as described in detail below, Lyft's principal place of business is in the
20 District, Defendant Postman travelled to the District to meet with Lyft, emailed and called Lyft in
21 the District, and executed his non-disclosure agreement with Lyft in the District, and Defendants
22 submitted their conflicted arbitration demands against Lyft in the District.

23 **INTRADISTRICT ASSIGNMENT**

24 17. Pursuant to Civil Local Rule 3-5, this case should be assigned to the San Francisco
25 or Oakland Division of this Court because the action arises in San Francisco County.

26 **PARTIES**

27 18. Plaintiff Lyft, Inc. is a Delaware corporation with its principal place of business in
28 San Francisco, California. Lyft maintains a smartphone-based application that connects people

1 looking to get from one place to another with people willing to provide those rides. That is the
2 Lyft Platform.

3 19. Defendant Warren Postman is a citizen of Virginia, where he is domiciled, and an
4 attorney licensed to practice in Washington D.C. He is currently a partner at Defendant Keller
5 Lenkner LLC. Before joining Defendant Keller Lenkner LLC, he worked as attorney for the
6 Chamber, which is also based in Washington, D.C.

7 20. Defendant Keller Lenkner LLC is an Illinois limited liability corporation, with its
8 principal place of business at 150 North Riverside Plaza, Suite 4270, Chicago, Illinois 60606. It
9 is a plaintiff-side law firm founded in January 2018. On information and belief, Defendant Keller
10 Lenkner LLC maintains a satellite office in Washington, D.C. where Defendant Postman works.

11 **STATEMENT OF FACTS**

12 **A. Until June 8, 2018, Defendant Postman was an attorney for the U.S. Chamber**
13 **of Commerce's in-house legal team at the U.S. Chamber Litigation Center.**

14 21. Lyft is a member of the U.S. Chamber of Commerce, a non-profit organization
15 whose mission is to benefit the business community. The U.S. Chamber of Commerce's
16 members are United States business associations.

17 22. The U.S. Chamber Litigation Center is a non-profit affiliate of the U.S. Chamber
18 of Commerce that functions as the in-house litigation team for the U.S. Chamber of Commerce
19 and its other affiliates. The U.S. Chamber Litigation Center is responsible for filing affirmative
20 litigation and amicus curiae briefs on behalf of the U.S. Chamber of Commerce and its members
21 at the federal and state level.

22 23. The Chamber regularly litigates disputes on, among other things, labor and
23 employment, class action and arbitration, antitrust, and consumer protection law in cases that
24 raise issues of concern to the nation's business community in general or to particular industries,
25 including Chamber members such as Lyft.

26 24. When the Chamber brings affirmative litigation, it often relies on the associational
27 standing derived from injuries incurred (or to be incurred) by its members. To develop the
28 Chamber's associational standing arguments, the Chamber frequently relies on its members, like

1 Lyft, to provide confidential information about how federal and state statutes, regulations, and
2 decisional law impact their business operations. The Chamber also relies on members, like Lyft,
3 to work cooperatively with it on litigation issues, including to determine legal strategies for the
4 Chamber's affirmative litigation.

5 25. To preserve the attorney-client privilege during affirmative litigation and other
6 legal matters, the Chamber and a party with common interests often will mutually agree to share
7 confidential communications relating to prospective or ongoing litigation for their mutual
8 common interest. The Chamber and the party in those instances intend and agree that the
9 confidential information shared between each other will remain confidential as to third parties so
10 as to maintain the attorney-client privilege held by the Chamber and the party. This is precisely
11 what happened with Lyft.

12 26. Separately, the Chamber's employees are required to give confidential treatment to
13 confidential information provided to the Chamber, including but not limited to, non-public
14 information provided to the Chamber by its members. Indeed, the Chamber has a written policy
15 that requires employees to observe the confidentiality of information acquired in carrying out
16 their duties and responsibilities, unless disclosure is approved by the Chamber or legally
17 mandated. Employees are required to review this policy annually, and to certify that they read,
18 understood, and will follow the policy. Defendant Postman annually certified compliance with the
19 Chamber's policy.

20 27. Defendant Postman was an attorney at the Chamber Litigation Center from April
21 2014 until June 8, 2018. In that time, he was promoted from Senior Counsel to Associate Chief
22 Counsel, to Deputy Chief Counsel, and then again to Chief Appellate Counsel. His work focused
23 on class action, arbitration, and wage-and-hour law. Defendant Postman routinely represented the
24 Chamber in affirmative litigation and in filing amicus briefs.

25 28. During his tenure at the Chamber Litigation Center, Defendant Postman played a
26 leading role for the Chamber on independent-contractor misclassification lawsuits, federal and
27 state (particularly California) wage-and-hour litigation, consumer protection cases (including
28 under California law), and on class action and arbitration issues. In that capacity, he worked

1 directly with Chamber members on independent-contractor classification litigation matters.

2 29. Non-party Steven Lehotsky has worked at the Chamber Litigation Center as an
3 attorney since April 2013. He has served as Senior Vice President and Chief Counsel for the
4 Chamber Litigation Center since January 1, 2018, and was previously Vice President and Chief
5 Counsel for Regulatory Litigation from 2015-2017 and Deputy Chief Counsel for Litigation from
6 2013-2015. During his time at the Chamber Litigation Center, Lehotsky worked on every issue
7 that the Chamber has litigated in the courts and has personal knowledge of all of the Chamber's
8 legal work, operations, and staff from April 2013 to the present. Lehotsky worked closely with
9 Defendant Postman at the Chamber Litigation Center, including on matters pertaining to Lyft.

10 30. As detailed below, Lehotsky and Defendant Postman received privileged and
11 confidential information, including core attorney work-product, from senior members of Lyft's
12 in-house legal team regarding driver classification, Lyft's business operations and other issues.
13 This occurred in emails, calls, and meetings over the course of Lyft's and the Chamber's more
14 than two-and-a-half year long common-interest relationship, including regarding several
15 affirmative litigations that the Chamber pursued related to driver-sclassification issues.

16 31. At all times, Defendant Postman knew that information learned from a member of
17 the Chamber pursuant to a common-interest agreement is not to be shared with parties outside the
18 common interest. At all times, Defendant Postman also knew that Chamber policy also required
19 confidential treatment be accorded to all non-public information provided by a Chamber member.
20 Indeed, Defendant Postman annually certified that he had reviewed and understood this policy.

21 **B. Defendant Postman acquired privileged and confidential information about**
22 **Lyft in the *City of Seattle I* litigation through a common-interest agreement.**

23 32. From December 2015 through August 2016, the Chamber (including Defendant
24 Postman)—acting in coordination and collaboration with Lyft—litigated an affirmative case
25 against the City of Seattle's "Ordinance Relating to Taxicab, Transportation Network Company,
26 and For-Hire Vehicle Drivers" ("Ordinance"). This first lawsuit against the City of Seattle is
27 referred to in this complaint as "*City of Seattle I*."

28 33. The Ordinance, which was enacted as Section 6.310.110 of the Seattle Municipal

1 Code on January 22, 2016, established a collective bargaining scheme through which independent
2 contractor, “for-hire” drivers (including drivers operating on the Lyft Platform) could collectively
3 negotiate the terms of their contractual relationships with “driver coordinators.” The Ordinance
4 allowed for a for-hire driver representative to be elected by less than a majority vote of all drivers
5 using a particular driver coordinator, and then locked all other for-hire drivers using the same
6 coordinator into the terms and conditions negotiated by the particular driver coordinator.

7 34. In late 2015, as it became apparent that the Ordinance was going to become law,
8 the Chamber, including Defendant Postman, began preparing a lawsuit challenging the legality of
9 the Ordinance to vindicate the interests of Lyft and several other members of the Chamber, as
10 well as those of the business community.

11 35. Defendant Postman and Mr. Lehotsky were the two attorneys at the Chamber who
12 were responsible for and most directly involved in the Chamber’s challenge to the Ordinance.

13 36. The Chamber (including Defendant Postman) identified Lyft’s classification of
14 drivers on the Lyft Platform as independent contractors as an important issue to *City of Seattle I*
15 because the Ordinance applied only to drivers classified as independent contractors.

16 37. Coordination between the Chamber and Lyft began in December 2015, when the
17 Chamber asked Lyft for its assistance with the *City of Seattle I* litigation.

18 38. The Chamber, on the one hand, and Lyft, on the other, shared several common
19 interests in connection with the potential *City of Seattle I* litigation, including interests in
20 maintaining the ability of drivers and companies to contract on a for-hire, independent-contractor
21 basis and in preventing state and municipal regulation of independent-contractor relationships.

22 39. From the outset, the Chamber (through Postman and Lehotsky) and Lyft (through
23 its in-house counsel) agreed to share privileged and confidential information to further their
24 common legal interests and entered into a common interest agreement to maintain the privileged
25 and confidential nature of that information. To that effect, beginning in January 2016, Defendant
26 Postman and Mr. Lehotsky sent and received communications from in-house counsel at Lyft
27 marked as “COMMON INTEREST PRIVILEGE,” or similar designations such as “JOINT
28 DEFENSE PRIVILEGE,” “ATTORNEY WORK PRODUCT,” or “PRIVILEGED AND

1 CONFIDENTIAL.”

2 40. In the ensuing weeks, members of Lyft’s in-house legal team participated in
3 numerous phone calls and meetings and exchanged numerous emails with Defendant Postman
4 and Mr. Lehotsky at the Chamber and members of the Chamber’s outside counsel at the law firm
5 Jones Day. In such communications Lyft provided the Chamber with information to assist its
6 legal challenge to the Ordinance, including advice on legal strategy, information about Lyft’s
7 business operations (including confidential aspects of Lyft’s business operations), and revisions
8 to draft Chamber pleadings.

9 41. Lyft also had privileged and confidential discussions with the Chamber about its
10 associational standing to pursue claims against the City of Seattle. To show associational
11 standing, an organization is required to show that at least one of its members has suffered a ripe,
12 cognizable injury-in-fact. For that reason, before filing a complaint, Lyft’s in-house counsel
13 communicated privileged and confidential information to the Chamber, including Defendant
14 Postman, about how the Ordinance would impact Lyft’s business operations and its legal
15 strategies in response.

16 42. The privileged and confidential information that Lyft’s in-house counsel provided
17 to the Chamber (including Defendant Postman) was not confined to information about Seattle
18 operations but also included information about how similar ordinance would impact Lyft in other
19 jurisdictions like California and Massachusetts, which were considering similar unionization
20 efforts.

21 43. Both Lyft and the Chamber (including Defendant Postman) understood that all
22 these communications were confidential, such that information could not be used or disclosed,
23 and remained privileged based on their common-interest agreement in *City of Seattle I*, Lyft’s
24 association with the Chamber, and the relationship of trust and confidence existing among them.

25 44. On March 3, 2016, the Chamber filed its complaint against the City of Seattle,
26 which was captioned *Chamber of Commerce v. City of Seattle*, No. 2:16-cv-00322 (W.D. Wash.
27 2016). The complaint sought a declaratory judgment that the Ordinance violates and is
28 preempted by the Sherman Act and is preempted by the National Labor Relations Act (in addition

1 to several Washington state laws), and an injunction preventing the City of Seattle from enforcing
2 the Ordinance. The Chamber's complaint references Lyft and its business model several times.

3 45. The Chamber's lawsuit alleged that the Sherman Act preempted the Ordinance
4 because drivers on the Lyft Platform were independent contractors, not employees, and thus were
5 independent economic actors who could not collude to set prices through collective bargaining.
6 Because the Ordinance permitted drivers to form a collective organization to collude in
7 negotiating the price of their services vis-à-vis Lyft and the terms and conditions of their services,
8 the Chamber alleged that the Ordinance was unlawful under federal antitrust law. In other words,
9 if drivers on the Lyft Platform were properly classified as employees, and not as independent
10 contractors, then the Chamber's antitrust claims would not apply to the Ordinance. For that
11 reason, Lyft's in-house legal team provided to Defendant Postman confidential business
12 information about Lyft's classification of drivers on the Lyft Platform as independent contractors
13 and its legal reasoning related to such classification practices.

14 46. The Chamber next alleged that the National Labor Relations Act ("NLRA")
15 preempted the Ordinance because City of Seattle was subjecting independent contractor drivers to
16 collective bargaining rules, a zone of activity that the NLRA expressly left unregulated by the
17 National Labor Relations Board. This is known as "*Machinists* preemption," after the case *Lodge*
18 *76, International Association of Machinists & Aerospace Workers v. Wisconsin Employment*
19 *Relations Commission*, 427 U.S. 132 (1976) ("*Machinists*"), and would not apply if Lyft drivers
20 were properly classified as employees. In other words, if drivers on the Lyft Platform were
21 properly classified as employees, and not as independent contractors, then the Chamber's
22 *Machinists* preemption claim would not apply to the Ordinance. For that reason, Lyft's in-house
23 legal team provided to Defendant Postman confidential business information about Lyft's
24 classification of drivers on the Lyft Platform as independent contractors and its legal reasoning
25 related to such classification practices.

26 47. Similarly, the Chamber alleged that the NLRA preempted the Ordinance under a
27 related doctrine set forth in *Garmon San Diego Building Trades Council v. Garmon*, 359 U.S.
28 236 (1959), known as "*Garmon* preemption." It argued that the Ordinance improperly required

1 the City of Seattle to determine whether drivers for on-demand economy companies like Lyft
2 were employees under the NLRA who are thus exempt from the Ordinance, or independent
3 contractors whom the Ordinance regulated. The Chamber argued that under *Garmon* this
4 classification decision is assigned to the exclusive jurisdiction of the National Labor Relations
5 Board (“NLRB”). For that reason, Lyft’s in-house legal team provided to the Chamber (including
6 Defendant Postman) confidential information about NLRB proceedings on such issues, including
7 confidential business information about Lyft’s classification of drivers on the Lyft Platform as
8 independent contractors and its legal reasoning related to such classification practices.

9 48. On March 28, 2016, the City of Seattle moved to dismiss the Chamber’s complaint
10 in the *City of Seattle I* litigation. The City of Seattle contended that the dispute was not yet ripe
11 and, relatedly, that the Chamber did not have associational standing because its members had not
12 shown a cognizable injury-in-fact. The City of Seattle argued that the Chamber’s allegation that
13 “some of its members” would “incur additional costs of doing business” was speculative, in part
14 because the Chamber had refused, on confidentiality grounds, to identify which of its members
15 would be injured by the Ordinance. The City of Seattle similarly argued that the Chamber’s
16 allegations that “some of its members” would be injured by the Ordinance’s requirement and that
17 “some of its members” would amend their contracts with drivers in response to the Ordinance
18 were similarly speculative. The City of Seattle’s attack on the Chamber’s associational standing
19 therefore required it to reach out to the members whose interests it sought to vindicate in *City of*
20 *Seattle I*, including Lyft, to establish their injuries.

21 49. The City of Seattle also argued that the Chamber’s claim that the Ordinance was
22 subject to *Garmon* preemption was not yet ripe. Specifically, the City of Seattle argued that the
23 Chamber had failed to put forth evidence that drivers on the Lyft Platform were employees such
24 that they would be subject to NLRB jurisdiction. This was necessary, according to the City of
25 Seattle, because, without such evidence there was no credible claim of *Garmon* preemption, as set
26 forth in *International Longshoremen’s Association, AFL-CIO v. Davis*, 476 U.S. 380, 395 (1986).

27 50. In response to the City of Seattle’s motion to dismiss, Lyft’s in-house counsel
28 worked actively with the Chamber (including Defendant Postman) and its outside counsel at

1 Jones Day to respond to the City of Seattle’s motion. Their communications discussed potential
2 legal arguments, legal strategies on issues such as injury-in-fact and ripeness issues and the
3 *Machinists* and *Garmon* preemptions, facts regarding the Ordinance’s harm to Lyft, Lyft’s
4 participation in the lawsuit, and Lyft’s financial contributions to the Chamber’s litigation efforts.
5 At all times, Lyft and the Chamber (including Defendant Postman), understood that these
6 communications were privileged and confidential.

7 51. On May 9, 2016, the Chamber filed its response to the City of Seattle’s motion to
8 dismiss. The Chamber contended that certain of its members were facing “present or imminent
9 injuries” on account of the Ordinance, but did not publicly elaborate on those specific claims
10 because of the confidential information involved.

11 52. On August 9, 2016, the district court dismissed the *City of Seattle I* lawsuit on
12 standing grounds. The court held that the individual members represented by the Chamber had
13 failed to show an actual injury-in-fact, because no putative for-hire driver representative had
14 commenced the statutory process for collectively bargaining with any of the Chamber’s members.

15 **C. Defendant Postman acquired confidential information from Lyft’s in-house**
16 **counsel about its classification practices during a common-interest privileged**
17 **meeting in January 2017 in San Francisco in anticipation of *City of Seattle II*.**

18 53. On December 29, 2016, the City of Seattle promulgated a set of regulations that
19 implemented the Ordinance. January 17, 2017 was designated as the Ordinance’s effective date.

20 54. On January 19, 2017, Defendant Postman met with Lyft’s in-house counsel at its
21 headquarters in San Francisco to discuss, among other things, whether, once the Ordinance took
22 effect, Lyft would be willing to participate in a second lawsuit in order to resolve the standing
23 issues that the Chamber had faced in *City of Seattle I*. This second lawsuit against the City of
24 Seattle is referred to in this complaint as “*City of Seattle II*.”

25 55. Before their meeting on January 19, 2017, Defendant Postman signed a non-
26 disclosure agreement at Lyft that prevented him from using or disclosing information that he
27 learned in connection with the visit for any authorized reason or purpose. Defendant Postman
28 read and signed the non-disclosure agreement before the January 19, 2017 meeting began.

56. One topic of Defendant Postman’s meeting with Lyft’s in-house counsel was to

1 acquire confidential information about how Lyft's business operations would be affected by the
2 Ordinance, given that *City of Seattle I* was dismissed for failing to show injury-in-fact.

3 57. During the January 19, 2017 meeting, senior members of Lyft's in-house legal
4 team—after understanding and re-confirming that their conversation with Defendant Postman
5 was confidential and privileged under their common-interest agreement with the Chamber and the
6 non-disclosure agreement that Defendant Postman had executed before their meeting—provided
7 privileged and confidential information about Lyft's business operations and legal strategy,
8 including information relating to Lyft's driver-classification practices under California law.

9 58. Defendant Postman also used the January 19, 2017 meeting as an opportunity to
10 have a broader conversation with Lyft's in-house lawyers about legal issues that concern Lyft and
11 its business operations. Lyft provided such privileged and confidential information to Postman
12 during this meeting, including on areas of legal risk.

13 59. Again, at all times during this meeting, Lyft understood that its communications
14 with Defendant Postman, as an attorney for the Chamber, which represented the Chamber and its
15 members in the *City of Seattle I* and the prospective *City of Seattle II* litigation, were privileged
16 and confidential under their common-interest agreement and their associational relationship.

17 **D. Lyft's in-house legal team solicited the Chamber's legal assistance from**
18 **Defendant Postman.**

19 60. Around the same time, Lyft's in-house counsel also asked Defendant Postman
20 whether the Chamber would be interested in filing an amicus brief in support of Lyft's position
21 on appeal in another lawsuit, captioned *Bekele v. Lyft, Inc.*, 199 F. Supp. 3d 284 (D. Mass. 2016).

22 61. Lyft sought the Chamber's assistance in supporting the court's ruling that the
23 arbitration provision in Lyft's Terms of Service is enforceable. Lyft understood that this
24 communication with Defendant Postman soliciting legal assistance was common-interest
25 privileged because of the ongoing, confidential relationship between Lyft and the Chamber.

26 62. At no point in time did anyone at Lyft or the Chamber ever expect or intend that
27 these conversations would remain anything other than privileged and confidential.
28

1 **E. Defendant Postman acquired further confidential information from Lyft’s in-**
2 **house counsel about its business and legal strategy during *City of Seattle II*.**

3 63. On February 22, 2017, the International Brotherhood of Teamsters Local 117
4 applied to become a qualified representative of for-hire drivers under the Ordinance, and the City
5 of Seattle approved the request a week later. On March 7, 2017, Teamsters Local 117 gave notice
6 to Lyft (and other Chamber members Uber Technologies, Inc. and Eastside for Hire) that the
7 union would seek to represent drivers contracting with those companies under the Ordinance.

8 64. With the dispute between the City of Seattle and the Chamber’s members now
9 ripe, the Chamber and Lyft began readying their second lawsuit challenging the Ordinance.

10 65. On February 27, 2017, the Chamber circulated a draft complaint and motion for a
11 preliminary injunction to Lyft’s in-house legal team and solicited substantive legal feedback. On
12 March 6, 2017, the Chamber requested that Lyft provide a declaration in support of its motion for
13 a preliminary injunction, stating that the Chamber wanted to move quickly and raising the
14 prospect of Lyft making a contribution to the litigation budget for *City of Seattle II*.

15 66. In the following days, Lyft provided substantive legal feedback on the complaint
16 and the motion for a preliminary injunction, provided a declaration that supported the Chamber’s
17 legal position, and participated on several telephone calls to discuss the Chamber’s next steps.

18 67. On March 9, 2017, the Chamber filed its complaint and a motion for a temporary
19 restraining order (supported by a declaration from Lyft) in *Chamber of Commerce v. City of*
20 *Seattle*, No. 2:17-cv-00370 (W.D. Wash.). The complaint identified that the Chamber was
21 bringing the action to vindicate the interests of Lyft and several other of its members, including
22 Uber, as well as those of the business community.

23 68. The *City of Seattle II* complaint sought to cure the standing issues that defeated the
24 *City of Seattle I* action by alleging that the Ordinance would injure Lyft by requiring it to publicly
25 disclose its drivers list, even though it was “confidential, proprietary, trade secret information[.]”
26 It further alleged that Lyft had “created an innovative business model that depends on partnering
27 with independent contractors” and that “[t]he Ordinance essentially requires driver coordinators
28 to treat independent contractors as employees—a change so disruptive that it could cause these

1 companies to become unprofitable in Seattle.” All of these allegations were the public byproduct
2 of confidential, privileged communications with Lyft that were left out of the complaint entirely.

3 69. The *City of Seattle II* complaint also argued that the Ordinance was subject to
4 preemption under the Sherman Act and *Machinists’* and *Garmon* preemption under the NLRA, as
5 in *City of Seattle I*.

6 70. On March 10, 2017, the Court set a March 30, 2017 hearing on the Chamber’s
7 motion for a temporary restraining order and/or preliminary injunction.

8 71. With the *City of Seattle II* litigation ramping up, and with Lyft positioned to take a
9 public role in the case, Lyft sought to confirm again its understanding that its communications
10 with the Chamber (including Defendant Postman) related to the litigation were privileged.
11 During a phone call on or about March 14, 2017 on which Defendant Postman and Mr. Lehotsky
12 participated, Defendant Postman personally confirmed that the Chamber shared a common
13 interest with their members in litigation matters that they pursue together and that the Chamber’s
14 communications with their members and shared attorney work product are protected by the
15 common-interest privilege. At this time, Defendant Postman again requested that Lyft contribute
16 to its litigation costs.

17 72. On March 21, 2017, the City of Seattle again moved to dismiss the complaint. The
18 City again argued that the Chamber had failed to show associational standing and that its claims
19 were not yet ripe.

20 73. On April 10, 2017, the Chamber filed its response to the City of Seattle’s motion
21 to dismiss. The Chamber, in accord with Lyft’s wishes to maintain the confidentiality of the
22 information that Lyft had shared with the Chamber, including Defendant Postman, about its
23 “market share, operational structure, [and] financial performance,” disputed the City of Seattle’s
24 claim that Lyft need to produce evidence in support of its claims.

25 74. On April 19, 2017, the Chamber submitted a written request for litigation funding
26 to Lyft that Defendant Postman marked on each page as “PRIVILEGED & CONFIDENTIAL,”
27 “ATTORNEY-WORK PRODUCT,” and “COMMON-INTEREST PRIVILGED.” The funding
28 request included detailed description of the Chamber’s litigation plan. In May 2017, Lyft agreed

1 to (and did) contribute funds to the Chamber to pursue its legal challenge to the Ordinance.

2 75. On August 1, 2017, the district court in *City of Seattle II* granted the City's motion
3 to dismiss and entered judgment in favor of the City of Seattle shortly thereafter.

4 76. On August 9, 2017, the Chamber filed a notice of appeal and briefed the appeal
5 from August 11, 2017, through September 8, 2017. The Chamber's opening appellate brief,
6 which was written in part by Defendant Postman, addressed the precise factual and legal issues
7 that Defendant Postman and Defendant Keller Lenkner LLC now raise in their arbitration
8 demands. The Chamber argued that, "Uber and Lyft do not transport passengers from one place
9 to another and therefore are not transportation services; they instead provide referral services that
10 connect for-hire drivers with passengers, and the drivers then provide the transportation services,"
11 that "Seattle's Ordinance not only could force Uber and Lyft to abandon their Seattle operations
12 but also place at risk the independent-contractor model in a host of business enterprises, including
13 the burgeoning market of platform services that use smartphones to instantly connect buyers and
14 sellers," and that, "The drivers who use the Uber and Lyft apps are independent contractors. Uber
15 and Lyft do not employ these drivers and do not own or operate the drivers' vehicles." These
16 claims were the public byproduct of Postman's and the Chamber's privileged and confidential
17 discussions with Lyft.

18 77. On February 5, 2018, the Ninth Circuit heard oral argument and, on May 11, 2018,
19 reversed the district court in part, finding that the Ordinance violated and is preempted by the
20 Sherman Antitrust Act. The City of Seattle moved for rehearing *en banc* on June 25, 2018, which
21 the Ninth Circuit denied on September 14, 2018. The Ordinance is now permanently enjoined.

22 **F. In January 2018, Lyft's in-house counsel and Defendant Postman discussed**
23 **Lyft's strategy regarding *Dynamex Operations West v. Superior Court*, the**
California Supreme Court's recent case on employee classification.

24 78. On December 28, 2017, the California Supreme Court requested supplemental
25 briefing in *Dynamex v. Operations West v. Superior Court*, 4 Cal. 5th 903 (2018), a case
26 addressing certain employee classification issues under California law. It resolved "what
27 standard applies, under California law, in determining whether workers should be classified as
28 employees or as independent contractors for purposes of California wage orders."

1 79. Whether drivers on the Lyft Platform are properly classified as independent
2 contractors under *Dynamex* and California’s wage orders is the precise legal issue in the mass
3 demands for arbitration that Defendants have now filed against Lyft in California and
4 Massachusetts. There is also substantial overlap in the classification issues raised by the *City of*
5 *Seattle I* and the *City of Seattle II* litigation and the classification issues raised by *Dynamex*.

6 80. The Chamber had previously submitted amicus briefs in *Dynamex* in support of
7 the petitioner-business strongly defending the importance of independent contractors in a
8 functioning business environment and to California’s economic prosperity. For that reason, the
9 Chamber argued that California’s common law test for determining whether a worker should be
10 classified as an independent contractor or an employee should largely remain in force.

11 81. The California Supreme Court’s December 28, 2017 request for supplemental
12 briefing sought the parties’ positions on whether the court could adopt New Jersey’s “ABC test”
13 for classifying workers.

14 82. After this request for supplemental briefing on the ABC test was handed down,
15 Lyft’s in-house legal team and Defendant Postman discussed in privileged and confidential talks
16 the potential impact of the *Dynamex* decision on Lyft.

17 **G. Lyft’s communications to the Chamber and Defendant Postman, about the**
18 ***City of Seattle I*, *City of Seattle II*, *Bekele*, and the supplemental briefing in**
19 ***Dynamex* were confidential and common-interest privileged.**

20 83. Throughout the *City of Seattle I* and *City of Seattle II* litigation, both in the district
21 court and before the Ninth Circuit, Lyft’s in-house legal team participated in meetings, phone
22 calls, and email correspondence with the Chamber (including Defendant Postman) to assist in
23 prosecuting the lawsuit under a common-interest agreement. In these exchanges, Lyft’s in-house
24 legal team provided legal analysis and non-public, confidential business information to the
25 Chamber to develop its ripeness, standing, and preemption arguments under the Sherman Act and
26 the NLRA, involving privileged discussions about Lyft’s classification practices, areas of
27 potential exposure, and legal strategy.

28 84. The same is true with respect to Lyft’s communications with the Chamber
(including Defendant Postman) about the enforceability of Lyft’s arbitration provision and its

1 overall arbitration strategy in *Bekele*, as well as the supplemental briefing request on the
2 classification standard in *Dynamex*.

3 85. Lyft also candidly disclosed some of its public policy arguments in support of
4 treating drivers using its platform as independent contractors rather than employees, as well as
5 confidential, non-public information regarding the consequences to Lyft's business operations if
6 the independent contractor drivers using its Platform were treated like employees for purposes of
7 collective bargaining. Some of this information was included in an early draft of Lyft's March
8 2017 declaration exchanged between Lyft and the Chamber (including Defendant Postman), but
9 Lyft removed the information from the final draft due to confidentiality concerns.

10 86. Lyft, which has faced and continues to face numerous lawsuits and arbitrations
11 challenging its classification of drivers operating on the Lyft Platform as independent contractors,
12 would not have shared any information with the Chamber but for Lyft's reliance on a common-
13 interest agreement with the Chamber and Lyft's reasonable expectation that Chamber attorneys,
14 including Defendant Postman—who were pursuing litigation to in part vindicate Lyft's
15 interests—would treat the information as confidential, both before, during, and after the litigation.

16 87. Lyft's expectation of privilege and confidentiality between itself and the Chamber
17 (including Defendant Postman) during their relationship is based on the following non-exhaustive
18 list of facts:

- 19 • Lyft and the Chamber mutually understood that they shared common legal
20 interests in challenging the Ordinance and that communications in furtherance of
21 those common legal interests would be privileged and confidential;
- 22 • Lyft is a member of the Chamber, and the Chamber was acting vindicating Lyft's
23 interests (among others) in challenging the Ordinance and asserting associational
24 standing to challenge the Ordinance based on Lyft's membership in the Chamber,
25 all of which conferred an associational privilege between Lyft and the Chamber;
- 26 • Lyft contributed financial support to the Chamber's challenge to the Ordinance
27 during *City of Seattle II*;
- 28 • Lyft and the Chamber worked hand-in-hand in developing the Chamber's legal

1 strategy: Lyft discussed and disclosed legal strategies and tactics with the
 2 Chamber, provided confidential business information to the Chamber, reviewed
 3 and edited the Chamber's work product, and provided a declaration in support of
 4 the Chamber's application for a temporary restraining order in *City of Seattle II*;

- 5 • Lyft's in-house attorneys expressly confirmed their understanding that Lyft and
 6 the Chamber's conversations were privileged and confidential in a phone call on or
 7 about March 15, 2017 with Chamber attorneys, including Defendant Postman,
 8 during which Defendant Postman said that the Chamber shares a common legal
 9 interest with its members when litigating to vindicate their interests, and that
 10 communications with its members in connection with those litigations remain
 11 protected by the attorney-client privilege and work product doctrine;
- 12 • This understanding is confirmed by numerous documents and emails exchanged
 13 between Lyft and the Chamber in connection with challenging the Ordinance
 14 bearing the designations "PRIVILEGED & CONFIDENTIAL," "ATTORNEY-
 15 CLIENT PRIVILEGED," "ATTORNEY-WORK PRODUCT," and/or
 16 "COMMON-INTEREST PRIVILEGED."; and,
- 17 • The Chamber has a uniform policy of maintaining all non-public information that
 18 a Chamber member provides to it as confidential.

19 **H. After the California Supreme Court rejected the Chamber's legal position in**
 20 ***Dynamex*, Defendant Postman joined Defendant Keller Lenkner LLC.**

21 88. On April 30, 2018, the California Supreme Court issued its opinion in *Dynamex*.
 22 The court ruled against the petitioner-business and the Chamber's position on classification that it
 23 had taken in its amicus briefs, adopting the Massachusetts statutory version of the ABC test.

24 89. Earlier in 2018, Defendant Postman asked a senior member of Lyft's in-house
 25 legal team to participate in the Chamber's Labor & Employment Litigation Advisory Committee.
 26 Defendant Postman told her that membership in the Committee would be an opportunity for Lyft
 27 to become more directly involved in the Chamber's efforts to advocate on labor and employment
 28 issues, specifically including advocacy of independent contractor arrangements such as the

1 relationship between Lyft and drivers using its platform. Another senior member of Lyft's in-
2 house legal team now sits on the Chamber's Liability Reform Litigation Advisory Committee.

3 90. In May 2018, Defendant Postman emailed the Chamber's Labor & Employment
4 Litigation Advisory Committee, including the member of Lyft's in-house legal team, regarding a
5 petition for rehearing on the *Dynamex* decision, informing the members of the Committee that the
6 Chamber intended to file an amicus brief supporting the petitioner. In explaining the Chamber's
7 decision to move forward with the amicus brief, Defendant Postman wrote: "Numerous Chamber
8 members have reached out to share their grave concerns over this decision." This passage in
9 Defendant Postman's email, on information and belief, refers at least in part to the privileged and
10 confidential communications Lyft shared with him in the previous months regarding the *Dynamex*
11 decision's potential impact on Lyft's business operations. At end, Defendant Postman solicited
12 "any concerns or additional thoughts regarding" the legal strategy outlined in his email.

13 91. On May 29, 2018, the Chamber, along with its outside counsel, submitted a further
14 brief seeking rehearing on the retroactivity of *Dynamex*.

15 92. On June 7, 2018, Defendant Postman withdrew as counsel for the Chamber in the
16 *City of Seattle II* action. The next day, on June 8, 2018, Defendant Postman quit the Chamber.
17 That same month, Defendant Postman became a partner at Defendant Keller Lenkner LLC.

18 **I. On October 26, 2018, Defendants filed numerous arbitration demands against**
19 **Lyft, despite repeated warnings about their disqualifying conflict of interest.**

20 93. In October 2018, Defendant Postman informed Lyft that he intended to serve
21 numerous arbitration demands on behalf of his driver clients against Lyft.

22 94. On October 25, 2018, outside counsel for Lyft sent a letter to Keller detailing the
23 basis for Lyft's assertion that Defendants had a conflict that precluded them from representing
24 clients on misclassification issues against Lyft and demanding that they immediately withdraw
25 from any such representation. Keller responded by email on October 26, 2018, indicating that
26 Defendants refused to withdraw.

27 95. On October 26, 2018, Defendants filed numerous arbitration demands alleging that
28 Lyft misclassifies drivers as independent contractors with the American Arbitration Association

1 on behalf of the drivers on the Lyft Platform they claim to represent.

2 **CLAIMS FOR RELIEF**

3 **CLAIM ONE**

4 **DECLARATORY JUDGMENT ACT, 28 U.S.C. § 2201**

5 **(Against Defendants Warren Postman and Keller Lenkner LLC)**

6 96. Lyft repeats and incorporates by reference each and every allegation contained in
7 the preceding paragraphs as if fully set forth herein.

8 97. An actual and substantial controversy exists between Lyft and Defendants as to
9 their respective legal rights and duties. Lyft contends that Defendant Postman has breached and
10 will further breach his duty of confidentiality to Lyft by using and disclosing Lyft's privileged
11 and confidential information against Lyft in numerous arbitrations for his personal profit.

12 98. Lyft further contends that Defendant Postman has an actual conflict of interest and
13 that Defendant Keller Lenkner LLC has an imputed conflict of interest. Under conflict of interest
14 law in California, an attorney must be disqualified if he or she possesses confidential information
15 about a non-client from a prior representation (*e.g.*, from a joint-defense group or common-
16 interest relationship), or if the prior representation is substantially related to a subsequent
17 representation. Applying this standard, Lyft contends that Defendant Postman has an actual
18 conflict of interest that must also be imputed to Defendant Keller Lenkner LLC, such that
19 Defendants must both be disqualified from representing any person or entity against Lyft with
20 respect to misclassification issues.

21 99. This dispute is ripe. Defendants have filed numerous arbitration demands against
22 Lyft in California and Massachusetts, despite the actual and imputed conflict of interest that has
23 arisen from Postman's confidential relationship with Lyft. Outside counsel for Lyft placed
24 Defendants on notice of their conflicts of interest, and Defendants denied having a conflict.

25 100. A declaration would thus serve a useful purpose in clarifying and settling the legal
26 relations in issue and afford relief from the uncertainty and controversy faced by the parties.

27 101. It is in the public interest to issue a declaration stating that Defendants may not use
28 or disclose Lyft's privileged and confidential information, including in an adversarial proceeding

1 against Lyft that relates to driver-misclassification issues. Both the attorney-client privilege and
2 the duty of confidentiality that arises between attorneys involved in common-interest work are
3 fundamental components of the legal system that warrant the protection of the courts.

4 102. The value to Lyft of the declaratory judgment sought exceeds \$75,000.

5 **CLAIM TWO**

6 **BREACH OF DUTY OF CONFIDENCE**

7 **(Against Defendants Warren Postman and Keller Lenkner LLC)**

8 103. Plaintiff repeats and incorporates by reference each and every allegation contained
9 in the preceding paragraphs as if fully set forth herein.

10 104. California law recognizes the tort of breach of confidence. This tort is based upon
11 the concept of an implied obligation or contract between the parties that confidential information
12 will not be disclosed. To prevail on a claim for breach of confidence, a plaintiff must
13 demonstrate that: (1) the plaintiff conveyed confidential and novel information to the defendant;
14 (2) the defendant had knowledge that the information was being disclosed in confidence; (3) there
15 was an understanding between the defendant and the plaintiff that the confidence be maintained;
16 and (4) there was a disclosure or use in violation of the understanding.

17 105. Lyft conveyed privileged and confidential information to Defendant Postman
18 pursuant to its common-interest agreement with the Chamber that arose during the pendency of
19 the *City of Seattle I* and *City of Seattle II* litigations. Lyft gave Defendant Postman information
20 about its business operations and its legal strategies, including but not limited to its driver-
21 classification practices, potential areas of misclassification exposure, and litigation and arbitration
22 strategy. Indeed, Lyft exchanged confidential emails with Postman and held regular status calls
23 and meetings in furtherance of their common interest over the course of their more than two-year
24 relationship. Lyft's confidential information remained attorney-client privileged and protected
25 work-product under the common-interest doctrine and the parties' common-interest agreement.
26 The confidential information was necessary for the Chamber's litigation of the City of Seattle
27 cases.

28 106. Defendant Postman knew that the information Lyft's in-house legal team shared

1 with the Chamber, including himself, was disclosed in confidence. The Chamber has confirmed
2 that Lyft and the Chamber were parties to a common interest agreement that protected
3 communications between them. Defendant Postman himself personally confirmed that he was
4 aware of this confidentiality requirement to Lyft on numerous occasions, including on a call with
5 Lyft's in-house counsel that happened on or about March 14, 2017. He also stamped draft
6 documents and communications that he shared with Lyft "PRIVILEGED & CONFIDENTIAL,"
7 "ATTORNEY-CLIENT PRIVILEGED," "ATTORNEY-WORK PRODUCT," and "COMMON-
8 INTEREST PRIVILEGED." Defendant Postman also signed a non-disclosure agreement with
9 Lyft when he (on behalf of the Chamber) visited its San Francisco headquarters on January 19,
10 2017, that expressly informed him that any information shared was confidential and could not be
11 disclosed.

12 107. Defendant Postman knew that Lyft and the Chamber expected that the parties
13 would maintain the confidentiality of the information that Lyft's in-house counsel shared.
14 Multiple members of Lyft's in-house counsel repeatedly confirmed with Defendant Postman that
15 they expected him to maintain Lyft's non-public information as privileged and confidential, and
16 he did. Neither Lyft nor the Chamber have since given Postman permission to use or disclose the
17 privileged and confidential information that he learned from Lyft's in-house legal team.

18 108. On information and belief, Defendant Postman has improperly disclosed Lyft's
19 privileged and confidential information to his law firm, Defendant Keller Lenkner LLC, and those
20 working concert with them in filing arbitration demands asserting misclassification against Lyft.

21 109. The driver-misclassification claims that Defendants have submitted to arbitration
22 against Lyft threaten further substantial injury to Lyft because those proceedings will necessarily
23 require Defendant Postman to use and disclose Lyft's privileged and confidential communications
24 and by incurring fees and costs from the arbitration demands, including filing and attorneys' fees.
25 Indeed, California conflict of interest law presumes that an attorney possessing an actual conflict
26 of interest arising from the acquisition of confidential information from a non-client will use and
27 share that information in a subsequent and substantially-related action against the non-client.

28 110. As a result, Lyft has been damaged in an amount exceeding \$75,000.

CLAIM THREE

VIOLATION OF CALIFORNIA’S UNFAIR COMPETITION LAW

(Against Defendants Warren Postman and Keller Lenkner LLC)

1
2
3
4 111. Plaintiff repeats and incorporates by reference each and every allegation contained
5 in the preceding paragraphs as if fully set forth herein.

6 112. Defendant Postman and Defendant Keller Lenkner LLC have violated and are
7 violating the unlawful prong of California’s unfair competition law, Cal. Bus & Prof. Code §
8 17200, *et seq.*, by breaching (and conspiring to breach) the duty of confidentiality that Defendant
9 Postman owes to Lyft as a result of their longstanding confidential relationship, the common-
10 interest agreement between Lyft and the Chamber, and the non-disclosure agreement that
11 Defendant Postman signed. Violations of the common law are actionable under the unfair
12 competition law’s unlawful prong.

13 113. Defendant Postman and Defendant Keller Lenkner LLC have also violated and are
14 violating the unfair prong of California’s unfair competition law, Cal. Bus & Prof. Code § 17200,
15 *et seq.*, by breaching (and conspiring to breach) the duty of confidentiality that Defendant
16 Postman owed to Lyft as a result of their longstanding confidential relationship, the common-
17 interest agreement between Lyft and the Chamber, and the non-disclosure agreement that
18 Defendant Postman signed. California has a strong public policy in favor of maintaining the
19 attorney-client privilege and the confidentiality of communications between attorneys and those
20 with whom they have entered into confidential relationships, which is statutorily codified in
21 California Evidence Code § 954. Public policy underlying conflict of interest law in California
22 makes clear that an attorney must be disqualified if he or she possesses confidential information
23 about a non-client from a prior representation (*e.g.*, from a joint-defense group or common-
24 interest relationship) that is substantially related to a subsequent representation. This is not only
25 for the benefit of the party seeking disqualification, but for the clients that the conflicted attorneys
26 represent. Those clients have the right to a fair proceeding that is not tainted by prejudice.

27 114. Defendant Postman and Defendant Keller Lenkner LLC have also violated and are
28 violated the unfair prong of California’s unfair competition law by engaging in immoral,

1 unethical, oppressive, unscrupulous, and substantially injurious conduct by breaching and
2 conspiring to breach the duty of confidentiality that Defendant Postman owes to Lyft. Conflict of
3 interest law in California makes clear that an attorney must be disqualified if he or she possesses
4 confidential information about a non-client from a prior representation (*e.g.*, from a joint-defense
5 group or common-interest relationship) that is substantially related to a subsequent representation.
6 Despite Defendants' actual notice of their conflict of interest, they are pursuing misclassification-
7 based claims against Lyft in the mass of arbitrations that they have submitted. The harms that
8 Defendants conduct has and will cause substantially outweighs any corresponding benefit that it
9 has, which is none, considering that public policy assigns no value to conflicted representations.

10 115. Lyft has statutory standing to seek relief under California's unfair competition law
11 because it suffered an economic injury as a result of Defendants' unlawful and unfair conduct.
12 Specifically, Lyft incurred an economic injury when it was forced to retain counsel to defend
13 itself against the conflicted claims that Defendants are now bringing against it.

14 116. Lyft seeks injunctive relief enjoining Defendants from engaging in the unlawful
15 and unfair practices described above.

16 **CLAIM FOUR**

17 **BREACH OF NON-DISCLOSURE AGREEMENT**

18 **(Against Defendant Warren Postman)**

19 117. Lyft repeats and incorporates by reference each and every allegation contained in
20 the preceding paragraphs as if fully set forth herein.

21 118. On January 19, 2017, Defendant Postman agreed to and signed a non-disclosure
22 agreement with Lyft when he personally visited its San Francisco headquarters. The terms of the
23 non-disclosure agreement stated that any information shared by Lyft with him in connection with
24 Defendant Postman's visit was confidential and could not be used or disclosed for any reason.

25 119. The terms of the non-disclosure agreement further stated that, by agreeing to the
26 non-disclosure agreement, Defendant Postman acknowledged and agreed that any breach of the
27 agreement would cause irreparable harm to Lyft for which damages are not an adequate remedy,
28 therefore entitling Lyft to equitable relief in addition to other available remedies.

1 120. The terms of the non-disclosure agreement also provide that the prevailing party in
2 any dispute or legal action regarding the subject matter of the agreement is entitled to recover
3 attorneys' fees and costs.

4 121. Defendant Postman had a duty under the non-disclosure agreement to maintain the
5 confidential nature of the information that Lyft shared with him in connection with his January
6 19, 2017 meeting at Lyft's headquarters in San Francisco.

7 122. Defendant Postman, on information and belief, breached his duty of confidentiality
8 to Lyft by disclosing the confidential information that Lyft confided in him in connection with his
9 January 19, 2017 visit to Defendant Keller Lenkner LLC and others acting in concert with them.

10 123. Through that breach, Defendant Postman has caused irreparable damage to Lyft by
11 disclosing its confidential information to Defendant Keller Lenkner LLC by filing a mass of
12 arbitration demands that necessarily rely on that the use and disclosure of that information.

13 **CIVIL CONSPIRACY/AIDING AND ABETTING ALLEGATIONS**

14 **(Regarding Defendant Keller Lenkner LLC)**

15 124. Lyft repeats and incorporates by reference each and every allegation contained in
16 the preceding paragraphs as if fully set forth herein.

17 125. Defendant Keller Lenkner LLC, upon information and belief, agreed to acquire,
18 use, and disclose the privileged and confidential information that Defendant Postman acquired
19 through his work with Lyft at the Chamber, for its personal gain in litigation against Lyft.

20 126. Defendant Postman and Defendant Keller Lenkner LLC both knew and intended
21 that Defendant Postman's disclosure and use of Lyft's privileged and confidential information
22 was a breach of his duty of confidentiality to Lyft, his professional duties as an attorney, and the
23 common-interest agreement between Lyft and the Chamber, and they intended that these breaches
24 be committed by Defendant Postman for their personal gain.

25 127. Because Defendant Keller Lenkner LLC conspired with Defendant Postman to
26 tortiously breach his duties to Lyft, and has aided and abetted those breaches at least since outside
27 counsel for Lyft put it on notice of its imputed conflict of interest, Defendant Keller Lenkner LLC
28 is also liable for Defendant Postman's tortious conduct.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays that this Court grant the following relief:

1. Preliminary and permanent injunctive relief:
 - a. Enjoining Defendant Warren Postman and Defendant Keller Lenkner LLC from representing any person in any action alleging that Lyft misclassifies drivers operating on the Lyft Platform or in any action that otherwise relates to the privileged and confidential information transmitted to Defendant Warren Postman by Lyft and its in-house legal team as described throughout the complaint;
2. A declaration that:
 - a. Defendant Warren Postman and Lyft entered into a common-interest agreement in connection with the Chamber’s litigation on Lyft’s behalf;
 - b. Defendant Warren Postman has a duty of confidentiality to Lyft regarding their common-interest agreement and any confidential information communicated to him thereto;
 - c. Defendants have a disqualifying conflict of interest in any proceeding brought in California or in any other jurisdiction;
3. Compensatory damages in an amount to be determined at trial;
4. Punitive damages;
5. An award to Plaintiff of reasonable costs and attorney’s fees; and,
6. Such other and further relief that this Court may deem fit and proper.

Lyft demands a jury trial on all issues so triable.

Dated: November 16, 2018

KEKER, VAN NEST & PETERS LLP

By: /s/ Rachael E. Meny
RACHAEL E. MENY
R. JAMES SLAUGHTER
IAN A. KANIG

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