

COMMONWEALTH of VIRGINIA

Richard D. Holcomb Commissioner

Department of Motor Vehicles 2300 West Broad Street

Post Office Box 27412 Richmond, VA 23269-0001

June 5, 2014

CERTIFIED MAIL

Travis Kalanick, CEO Uber Technologies, Inc. 182 Howard Street, Suite 8 San Francisco, CA 94105

Re: Cease and desist unauthorized operations in Virginia

Dear Mr. Kalanick:

For over six months, the Virginia Department of Motor Vehicles (DMV) has alerted Uber Technologies, Inc. (Uber) of its requirement to obtain authority before operating in Virginia. DMV has educated Uber about Virginia's passenger carrier laws, which apply to any business that receives compensation to provide or facilitate transportation. More recently, DMV assessed a civil penalty to Uber after collecting evidence of specific instances of compensated transportation services. I am once again making clear that Uber must cease and design operating in Virginia until it obtains proper authority. Further, DMV will issue civil penalties to Uber's drivers that do not have authority to provide transportation for compensation.

Virginia law requires for-hire passenger carriers to have proper operating authority. Although certain types of passenger carrier arrangements are excluded from this requirement, none of those exclusions applies to Uber's operations. For example, *Va. Code* § 46.2-2000.1 contains an exclusion for ride-sharing arrangements; however, a separate statute sets out the requirements for ride-sharing arrangements. This statute defines ride-sharing arrangements as those which do not involve transporting passengers for profit. See *Va. Code* § 46.2-1400, *et seq.* Uber's operations are not ridesharing arrangements as defined in Virginia law because Uber receives compensation for its services.

As you know, DMV is actively studying Virginia's passenger carrier laws and business models such as Uber. DMV has invited Uber and other stakeholders to participate in this study and will produce a final report before the next legislative session. I strongly suggest that Uber focus its resources on participation in this study rather than continue illegal operations in the meantime.

Finally, please alert your drivers in Virginia that DMV will enforce existing laws prohibiting illegal operations by companies such as Uber and by individual drivers that lack authority to provide passenger transportation.

Sincerely,

Richard D. Holcomb

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