IN THE STATE OF SOUTH CAROLINA) COUNTY OF BERKELEY)	IN THE COURT OF COMMON PLEAS FOR THE 9TH JUDICIAL CIRCUIT CASE NO: 2025-CP-08-01735
Robin Lee Hatch, Plaintiff, v. Cynthia O. Robinson; Lyft, Inc.; and Lyft Drives South Carolina, Inc., Defendants.	**ORDER DENYING DEFENDANTS LYFT, INC. AND LYFT DRIVES SOUTH CAROLINA, INC.'S MOTION TO STAY AND COMPEL ARBITRATION**

This matter came before the Court on January 5, 2026, on Defendant Lyft, Inc. and Lyft Drives South Carolina, Inc.'s (hereinafter, "Defendants") Motion to Stay and Compel Arbitration. For the reasons set forth below, Defedants' Motion to Stay and Compel Arbitration is **DENIED.**[1]

BACKGROUND FACTS

On July 13, 2022, Robin Hatch (hereinafter, "Plaintiff") was riding in a Lyft vehicle operated by Cynthia Robinson, when Robinson disregarded a stop sign and collided into another vehicle. As a result, Plaintiff allegedly sustained significant injuries to her shoulder. Plaintiff filed suit on May 19, 2025, alleging claims of negligence against Robinson, as well as claims of *respondeat superior,* negligent hiring, and negligent supervision and training against Defendants. Defendants filed an Answer and requested a jury trial on June 20, 2025. Thereafter, Defendants filed their Motion to Stay and Compel Arbitration and further refused to participate in discovery and depositions until the Motion was heard.

[1] All findings of fact and conclusions of law indicated in this Order are made for the purpose of ruling on this motion only.

Defendants allege that on November 30, 2018, Plaintiff created a Lyft user account and affirmatively agreed to Lyft's Terms of Service (hereinafter, "TOS"). Defendants further allege that Plaintiff agreed to Lyft's TOS on four (4) occasions, the most recent of which being April 7, 2021. Defendants contend that there is a binding agreement to arbitrate because Plaintiff clicked 'I agree' on a cell phone app, the most recent of which being more than fifteen (15) months prior to the subject collision.

LEGAL ANALYSIS

A. Plaintiff's agreement to the arbitration clause was unconscionable in the absence of meaningful choice on part of Plaintiff due to the one-sided contract provisions, the relative disparity in the parties' bargaining power, and Defendants' relative sophistication over Plaintiff.

Unconscionability, as it pertains to a contractual arbitration clause, is defined as the absence of meaningful choice on the part of one party due to one-sided contract provisions, together with terms that are so oppressive that no reasonable person would make them, and no fair and honest person would accept them. *Simpson v. MSA of Myrtle Beach, Inc.*, 373 S.C. 14, 25, 644 S.E.2d 663, 669 (2007). "Whether one party lacks meaningful choice in entering into the arbitration agreement at issue typically speaks to the fundamental fairness of the bargaining process." *Gladden v. Boykin*, 402 S.C. 140, 148, 739 S.E.2d 882, 886 (2013). If a court as a matter of law finds any clause of a contract to have been unconscionable at the time it was made, the court may refuse to enforce the unconscionable clause or so limit its application as to avoid an unconscionable result. S.C. Code Ann. § 36-2-302(1) (2003). In determining whether an arbitration clause is unconscionable, South Carolina courts consider both the absence of meaningful choice and whether the clause contains oppressive, one-sided terms. *Simpson*, 373 S.C. at 25, 644 S.E.2d at 669 (2007).

Unsurprisingly, arbitration clauses are often found in contracts of adhesion. An adhesion contract is a standard form contract offered on a "take-it-or-leave it" basis with terms that are not negotiable. *Munoz v. Green Tree Fin. Corp.*, 343 S.C. 531, 541, 542 S.E.2d 260, 365 (2001). And while an arbitration clause in an adhesion contract is not per se unconscionable, it is a strong indication that there was a lack of meaningful choice in negotiating the terms of the contract and is met with "considerable skepticism" by courts. *Simpson,* 373 S.C. at 25, 644 S.E.2d at 669 (2007). In determining whether there was an absence of meaningful choice between parties, the South Carolina Supreme Court in *Simpson v. MSA of Myrtle Beach, Inc.*, considered whether the arbitration clause was included in a contract of adhesion between a commercial entity and a consumer, whether the consumer lacked the business judgment necessary to make her aware of the implications of the arbitration agreement, and whether the consumer had a lawyer present to provide any assistance in the matter. 373 S.C. 14, 27, 644 S.E.2d 663, 670 (2007).

In determining whether an arbitration clause is unconscionable and therefore unenforceable, South Carolina courts will also consider whether the contract contains oppressive and one-sided terms. *Id.* at 25. In *Huskins v. Mungo Homes, LLC,* the South Carolina Supreme Court found that an arbitration clause in a contract which shortened the statute of limitations for any claim brought was void and illegal as a matter of public policy and thus unenforceable as it violated S.C. Code Ann. §15-3-140 (2005). 444 S.C. 592, 910 S.E.2d 474 (2024). S.C. Code Ann. §15-3-140 (2005) forbids and renders void any contract clauses attempting to shorten the legal statute of limitations. The court in *Simpson v. MSA of Myrtle Beach, Inc.,* found that the arbitration clause's limitation on statutory remedies was oppressive and one-sided. 373 S.C. at 28-30, 644 S.E. 2d at 670-71 (2007). Furthermore, courts have found that sections of arbitration clauses that purport to shorten the statute of limitations are material to the whole of the arbitration clause and

have declined to salvage the remaining sections of the arbitration requirement, instead finding the entire arbitration provision unenforceable. *Huskins v. Mungo Homes, LLC*, 444 S.C. 592, 597, 910 S.E.2d 474, 477 (2024). The court in *Damico v. Lennar Carolinas, LLC*, went as far to say that severing terms from an unconscionable contract of adhesion discourages fair, arms-length transactions and would encourage sophisticated parties to intentionally insert unconscionable terms in the contract. 437 S.C. 596, 604, 879 S.E.2d 746, 751 (2022).

In the present case, the TOS agreement between the Plaintiff and Defendant is clearly an adhesion contract. The terms of the agreement were not negotiable on the Plaintiff's behalf and were presented to her on a "take-it-or-leave it" basis. As Defendants concede in their Motion, "a person cannot complete the account creation process or purchase rideshare services through the Lyft App unless they affirmatively accept and agree to be bound by Lyft's Terms." See Def. Lyft's Exhibit A at ¶ 8 in Def. Lyft's Motion to Compel Arbitration and Stay Proceedings. Plaintiff did not have the business judgment to understand the effect of the arbitration clause contained in the Terms of Service agreement and did not have counsel present to provide assistance during the account creation process. The arbitration clause found in section 17 of the subject TOS agreement contains several oppressive and one-sided terms.

First, section 15 of the subject TOS contains broad language purporting to exempt Lyft from virtually all liability, stating "IN NO EVENT WILL LYFT...BE LIABLE TO YOU FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, OR INDIRECT DAMAGES...ARISING OUT OF OR IN CONNECTION WITH THE LYFT PLATFORM, THE RIDESHARE SERVICES, OR THIS AGREEMENT, HOWEVER ARISING INCLUDING NEGLIGENCE." This provision essentially renders Lyft immune from liability under any scenario, which is impermissibly onerous.

Additionally, the arbitration clause contains several other oppressive and one-sided terms including the waiver of a jury trial, inability to appeal the arbitration decision, and inability to participate in a class action. Third, the arbitration provision is buried within a 43-page document and is inconspicuous in nature, particularly when viewed on a mobile device as most users would experience it.

The subject TOS agreement is a contract of adhesion, as Plaintiff lacked meaningful choice and could not negotiate its terms, and the arbitration clause contains several oppressive and one-sided terms. Ultimately, the arbitration clause contained in section 17 of the TOS agreement is unconscionable, and thus unenforceable.

Therefore, this Court denies Defendants' Motion to Compel Arbitration and Stay Proceedings because the arbitration agreement contained in the subject TOS was unconscionable.

IT IS THEREFORE ORDERED that Defendants' Motion to Compel Arbitration and Stay Proceedings is **DENIED.**

AND IT IS SO ORDERED!

/s/
The Honorable Dale E. Van Slambrook

Berkeley Common Pleas

Case Caption: Robin Lee Hatch VS Cynthia O. Robinson , defendant, et al

Case Number: 2025CP0801735

Type: Order/Other

And It Is So Ordered!

s/Dale E. Van Slambrook S.C. Circuit Court Judge #2781