

1 March 2019

Mitchell Price
Director of Government Affairs APAC
Lime

Email: mitchell@li.me

Dear Mitchell

We refer to our recent correspondence and in particular our letter dated 22 February 2019 confirming suspension of your operating licence. We acknowledge your subsequent responses to our request for information which we have carefully considered.

Auckland Council and Auckland Transport when coming to today's decision have considered and relied on the following from Lime:

- provision of time-based incident data and graphs showing incident frequency over the period of the trial as it relates to the unexpected locking issue.
- provision of a full update on progress against licence extension conditions.
- provision of two reports dated 25 and 27 February 2019 from Exponent summarising the root cause analysis methodology undertaken, their findings, recommendations and observations as to success of remedial work undertaken.
- agreement to report to Auckland Council and Auckland Transport on 48 hour frequency all incidents, and to meet weekly with relevant staff to discuss the incident record, analysis and Lime's response/actions.
- agreement that council will appoint its own independent reviewer both for our assurance of your safety management and processes and to assess the detailed and confidential analysis of the Exponent root cause analysis, findings, and recommendations. We also note your agreement that the independent reviewer will have full access to your operations and data for this purpose; and that the cost of the independent reviewer will be an additional cost to the licence.

Although our review was originally triggered due to the wheel locking issue, it has caused us to consider the safety of Lime scooters more generally. With safety of people on our transport and around our city being of the highest concern, Auckland Council and Auckland Transport agree that the suspension of Lime's licence can only be lifted on receipt of your written agreement to the following additional requirements:

- immediate escalation (i.e. within 24 hours) to Auckland Council and Auckland Transport any further serious or significant safety incidences leading to injury involving Lime scooters.
- escalate within 48 hours significant issues or serious safety incidences in other markets (including international).
- Auckland Council and Auckland Transport require on-going regular updates (at the least fortnightly) from Exponent on the progress of their investigations until Exponent's work is concluded.
- each Lime scooter must be mechanically inspected by appropriately qualified personnel at least once every week and inspection reports to be available to Auckland Council and Auckland

Transport on request. If a scooter is unable to be inspected each week, then it is to be locked and removed from service until it has been inspected.

- Auckland Council and Auckland Transport require Lime (by Wednesday 6 March 2019 at the latest) to improve its Ambassador program and to more actively educate rider behaviour (through on-site education or your digital app). The minimum on-site Ambassador presence required is ten people working 7 days per week during the following times:
 - 8am - 10am
 - 12pm - 2pm
 - 4pm - 6pm

We note that these times and ambassador numbers may vary in agreement with us to better reflect peak user activity and impact on ambassador education and safety outcomes.

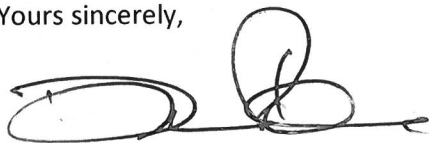
It is noted that Auckland Council and Auckland Transport require ongoing compliance and reserve the right to take further action in relation to Lime's licence at any time in accordance with our powers in the Street Trading and Events in Public Places Bylaw.

We note for completeness that both MBIE and NZTA are currently reviewing Lime Scooters, and that you are providing the same information to these parties that you are providing to Auckland Council and Auckland Transport.

We do express our concern about the way in which the Council has been notified of safety incidences involving Lime scooters to date. Reports of these incidences in the media have been the only source of information available to the Council where it is a requirement of the Code of Practice that this information is proactively provided by Lime. In the future we expect that information to come from Lime, as soon as possible, consistent with the Code of Practice and as further required by our special conditions above.

Can you please confirm the timing of when you intend to have Lime scooters back in circulation.

Yours sincerely,



Dean Kimpton
Chief Operating Officer

c.c Lauren Mentjox Public Affairs Manager NZ. Lime