

Lime Technology, Ltd. 339 New North Road Kingsland Auckland 1021 New Zealand

February 24, 2019



Brendan Anstiss General Manager, Strategy & Transformation Christchurch City Council 53 Hereford St, Christchurch Central Christchurch 8013, New Zealand

Re: Update for Our Lime Partners

Dear Messrs. and Anstiss:

The safety of our riders not only in Christchurch, but everywhere Lime operates is our top priority. Our collaboration with you, the Christchurch City Council, is integral to achieving our mission of bringing safe, reliable micromobility options to the Christchurch community. With this in mind, we are writing to share some information about an issue we discovered impacting a very small number of Lime scooters.

## **Background**

In order to provide the safest possible product to our users, Lime scooters are equipped with multiple mechanisms with each working together to brake or slow the scooter. Lime recently became aware that in extremely rare circumstances, usually riding downhill at top speed while hitting a pothole or other obstacles, excessive brake force on the front wheel can occur, resulting in a scooter stopping unexpectedly. While this issue has affected less than 0.0045% of all Lime rides, some riders have been injured, and, although most have been bumps and bruises, any injury is one too many.

## What We're Doing About It

Immediately after learning about this issue, Lime began actively investigating and has decommissioned every single affected scooter in New Zealand. Lime has been able to rule out the possibility of a hardware issue, and rather has identified a cause due to firmware impacting the electrical subsystems (ECU) in some scooters. Through extensive analysis by both our internal team and outside experts, we diagnosed the cause in a laboratory environment. We have developed updates for the firmware and are confident in their efficacy.

## Where Things Stand Now

On 19 February 2019, Lime released an initial firmware update designed to resolve the potential front wheel braking issue and it has already been installed across all Lime scooters throughout New Zealand. Since the firmware update was installed, Lime has seen a material reduction of occurrences. A final update is now being dispatched to every Lime scooter in the market and will be complete shortly. This final firmware update will categorically resolve the issue. Lime has published a blog <u>post</u> to keep our riders up to date and, as an added measure, Lime has sent an in-app notification to all of our global riders to use extra caution while we install the final firmware update, especially when traveling downhill, and to comply with any scooter audible or visual warning to adjust the rider's speed.

Due to the complex nature of the technology involved, Lime continues to closely monitor the situation. We will keep the Christchurch City Council apprised of additional information learned over the coming days and weeks.

Please be assured that Lime is dedicated to the safety of its riders, inherent in which is a commitment to the operational safety of our vehicle fleet. We value our partnership and the opportunity to provide safe, sustainable, convenient transportation options to the Christchurch community.

If you have any questions or wish to discuss this further, please do not hesitate to contact us.

Sincerely,

Mitchell Price and Anthony Fleo