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July 11, 2023

Alyssa Edelen  
**Neutron Holdings dba Lime**  
701 Cesar Chavez  
San Francisco, CA 94124

## VIA EMAIL

Re: Disbatch Logistics

Dear Alyssa Edelen:

SFMTA is in receipt of the request by Neutron Holdings dba Lime (Lime) to subcontract or delegate portions of its obligations under 2023-2024 Powered Scooter Share Program Permit (Permit) to Disbatch Logistics (Subcontractor). Pursuant to Section 5 of the Permit, and based on assurances and documentation provided by Lime, this letter serves as written approval for Lime to subcontract or delegate portions of its obligations to the Subcontractor as referenced above.

The SFMTA bases this decision upon Lime's assurances that Subcontractor will comply with all of Lime's applicable obligations and commitments under the Permit Terms and Conditions. Additionally, the SFMTA bases this decision on the assertions and documentation provided by Lime to the SFMTA in its letter dated April 21, 2023 (Lime's Request), that the Subcontractor's general liability insurance along with Lime's coverage of Subcontractor through Lime's general liability policy covers the operations of Subcontractor and indemnifies the City to the full extent required by the Permit Terms and Conditions.

Subcontractor is authorized to manage up to 2,750 permitted scooters in Lime's fleet in the following scope: provide safety check protocols, provide maintenance and repair of devices (including in-field inspection and maintenance, as well as inspection and maintenance at a service center), and provide device cleaning and redistribution services as referenced in Lime's Request, which is incorporated by reference.

This approval, unless earlier revoked or rescinded by SFMTA, is valid through the expiration of Lime's Permit. Should Lime's Permit be revoked or suspended prior to the expiration date, this authorization will also end.

As a condition of this approval, Lime must ensure that the above referenced entity is and remains compliant with Section 5 as well as any other applicable terms of the Permit.



Should any changes occur with regard to the information provided regarding the Subcontractors, including but not limited to the number of employees, the addresses where charging occurs, number of scooters assigned or changes in insurance information, Lime shall inform SFMTA through the requisite reporting method, including monthly or quarterly reports. If there is no monthly or quarterly report relating to the change, Lime shall immediately inform SFMTA (Danny Yeung [Danny.Yeung@sfmta.com](mailto:Danny.Yeung@sfmta.com)) of the changed information in writing.

Should Lime terminate its relationship with the above referenced entity, it shall inform SFMTA in writing immediately. It is Lime's duty to ensure that current insurance documentation is on file with SFMTA.

Danny Yeung  
Acting Manager – Permits & Administration  
Taxis, Access & Mobility Services Division

Encl:



April 21, 2023

VIA ELECTRONIC MAIL

Danny Yeung  
Acting Manager – Permits & Administration  
Taxis, Access & Mobility Service Division  
San Francisco Municipal Transportation Agency  
E: [Danny.Yeung@sfmta.com](mailto:Danny.Yeung@sfmta.com)

Re: Lime Logistics Provider Approval

Dear Mr. Yeung,

As shared in Lime’s 2023 Labor Harmony Amendment, Lime will augment its operations in San Francisco with dedicated Logistics Providers (“LPs”) who will retrieve and deploy Lime’s vehicles. LPs working with Lime are small businesses that meet the criteria outlined in the 2022-2023 Powered Scooter Share Program Permit Terms and Conditions, General Requirements (the “Requirements”).

Lime is excited to introduce the City to its Logistics Providers for approval as required by Section 5 of the Requirements. Lime’s LP agreements contain terms that satisfy the Requirements, including obligations related to audits, parking, and reporting. Each of the following LPs is ready and willing to execute such an agreement with Lime after SFMTA approves the LP.

A summary of individual criteria is shared below. Proof of insurance is attached. Lime’s LP Agreements are subject to confidentiality; Lime will make a sample agreement available for viewing upon request.

**1. Breeze Mobility**

- 1.1. **Background and Experience:** Micro EV Fleet Management Service, operates in New York and Canada
- 1.2. **Estimated Vehicles:** 2
- 1.3. **Scope of Work:** LP will (1) pick up fully charged scooters from the Lime warehouse, (2) deploy and rebalance scooters in the field, and (3) retrieve scooters from the field and return them to the Lime warehouse.
- 1.4. **Insurer | Coverage:** Lester Calmson Agency Inc.

**2. ATL Fleet Management Inc.**

- 2.1. **Background and Experience:** Is an LP in Georgia, Florida, and Washington.
- 2.2. **Estimated Vehicles:** 5
- 2.3. **Scope of Work:** LP will (1) pick up fully charged scooters from the Lime warehouse, (2) deploy and rebalance scooters in the field, and (3) retrieve scooters from the field and return them to the Lime warehouse.
- 2.4. **Insurer | Coverage:** ACORD



### 3. Disbatch Logistics

- 3.1. **Background and Experience:** They are a logistics dispatching company.
- 3.2. **Estimated Vehicles:** 1
- 3.3. **Scope of Work:** LP will (1) pick up fully charged scooters from the Lime warehouse, (2) deploy and rebalance scooters in the field, and (3) retrieve scooters from the field and return them to the Lime warehouse.
- 3.4. **Insurer | Coverage:** ACORD

Lime will notify SFMTA of any substantial change to the information above and will seek approval of future LPs.

We look forward to SFMTA's approval. Please let me know if you have any questions.

Sincerely,

Charlie Mastoloni  
Senior Manager of Government Relations

Attachments: Certificates of Insurance



VIA ELECTRONIC MAIL

June 30, 2023

VIA ELECTRONIC MAIL

Danny Yeung  
Acting Manager – Permits & Administration  
Taxis, Access & Mobility Service Division  
San Francisco Municipal Transportation Agency  
E: Danny.Yeung@sfmta.com

**Re: Reconsideration of LP's General Liability Aggregate Limit Insurance Request**

Dear SFMTA Staff,

We are writing to request that the agency reconsider the request for a \$5 million general liability aggregate limit insurance policy for our proposed Logistics Providers ("LPs"). Instead, we kindly ask you to permit them to operate with a \$2 million general liability aggregate limit insurance policy, which is the generally accepted policy across global markets.

In addition to the sufficiency of the LP policy, we believe that Lime's existing general liability policy adequately covers the SFMTA, and the request for our LPs to obtain \$5 million in General Liability Insurance poses an undue financial burden on these small businesses.

The City has the discretion to determine what is adequate, and for the reasons outlined below, we believe \$2 million ensures the City is covered.

**Existing Lime General Liability Policy Coverage**

We are confident that our General Liability Policy covers the operations carried out by Lime's LPs and protects the City as they are listed as additional insured parties in our permitting agreement.

The attached blanket additional insured endorsement (Attachment A) represents our current 2023-24 General Liability policy. The language extracted from this document below explicitly states that SFMTA is included as an insured party through the Additional Insured Language. Most importantly, it clearly affirms that coverage is provided to the state for operations performed by Lime or on Lime's behalf, which encompasses the work executed by contractors (LPs) serving Lime's operations. This affirmation is supported by the fact that this policy is designed to address Lime's complete operational model, including the utilization of contractors for fleet servicing.



**SECTION II - WHO IS AN INSURED** is amended to include as an Insured any person or organization described in paragraphs A. through K. below whom a Named Insured is required to add as an additional insured on this Coverage Part under a written contract or written agreement, provided such contract or agreement:

**H. State or Governmental Agency or Subdivision or Political Subdivisions – Permits**

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of:  
2. the permitted or authorized operations performed by a Named Insured **or on a Named Insured's behalf.**

**Undue Financial Burden on LPs**

As mentioned earlier, we believe that the request for Lime's LPs to acquire \$5 million general liability insurance places an excessive financial burden on them. Two out of the three LPs we intend to partner with are minority-owned businesses and each will generate at least six W-2 jobs. All three LPs are committed to hiring local San Francisco residents exclusively. These small business owners aim to provide full-time employment opportunities to San Francisco residents.

Regrettably, with the current SFMTA request, they cannot afford the \$5 million general liability insurance. Insurance providers have informed our LPs that this type of insurance would cost nearly \$40,000 annually—a staggering amount for small businesses. Attachment B includes a quote from one of our LPs as supporting evidence.

Under the current circumstances, no small business or LP hiring locally would be able to viably obtain this costly insurance. Therefore, we sincerely hope that the SFMTA will grant an exception to our LPs, permitting them to operate with a \$2 million general liability aggregate limit insurance policy instead of a \$5 million aggregate limit policy, with the understanding Lime's current policy covers the city for incidents that might arise as a result of our LP's operations.

Thank you, and we eagerly await your response.

A handwritten signature in black ink, appearing to read "Charlie Mastoloni".

Charlie Mastoloni  
Senior Manager of Government Relations  
Lime

CC:  
Kate Toran: Director, Taxis and Accessible Services



Philip Cranna: Enforcement and Legal Affairs Manager  
Jeff Tumlin, Director of Transportation, SFMTA



## **Attachment A**

Policy Number CSDIG2300005

### **BLANKET ADDITIONAL INSUREDS WITH PRIMARY AND NON-CONTRIBUTORY WORDING**

This endorsement modifies insurance under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SECTION II - WHO IS AN INSURED** is amended to include as an Insured any person or organization described in paragraphs A. through K. below whom a Named Insured is required to add as an additional insured on this Coverage Part under a written contract or written agreement, provided such contract or agreement:

(1) is currently in effect or becomes effective during the term of this Coverage Part; and (2)

was executed prior to:

- (a) the "bodily injury" or "property damage"; or
  - (b) the offense that caused the "personal and advertising injury",
- for which such additional insured seeks coverage.

However, subject always to the terms and conditions of this policy, including the limits of insurance, the Insurer will not provide such additional insured with:

- (1) a higher limit of insurance than required by such contract or agreement; or
- (2) coverage broader than required by such contract or agreement, and in no event broader than that described by the applicable paragraph A. through K. below.

Any coverage granted by this endorsement shall apply only to the extent permissible by law. A.

Controlling Interest

Any person or organization with a controlling interest in a Named Insured, but only with respect to such person or organization's liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. such person or organization's financial control of a Named Insured; or
2. premises such person or organization owns, maintains or controls while a Named Insured leases or occupies such premises;

provided that the coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.





#### B. Co-owner of Insured Premises

A co-owner of a premises co-owned by a Named Insured and covered under this insurance but only with respect to such co-owner's liability for "bodily injury", "property damage" or "personal and advertising injury" as co-owner of such premises.

#### C. Grantor of Franchise

Any person or organization that has granted a franchise to a Named Insured, but only with respect to such person or organization's liability for "bodily injury", "property damage" or "personal and advertising injury" as grantor of a franchise to the Named Insured.

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#### D. Lessor of Equipment

Any person or organization from whom a Named Insured leases equipment, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by the Named Insured's maintenance, operation or use of such equipment, provided that the "occurrence" giving rise to such "bodily injury", "property damage" or the offense giving rise to such "personal and advertising injury" takes place prior to the termination of such lease.

#### E. Lessor of Land

Any person or organization from whom a Named Insured leases land but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the ownership, maintenance or use of such land, provided that the "occurrence" giving rise to such "bodily injury", "property damage" or the offense giving rise to such "personal and advertising injury" takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

#### F. Lessor of Premises

An owner or lessor of premises leased to the Named Insured, or such owner or lessor's real estate manager, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of the ownership, maintenance or use of such part of the premises leased to the Named Insured, and provided that the "occurrence" giving rise to such "bodily injury" or "property damage", or the offense giving rise to such "personal and advertising injury", takes place prior to the termination of such lease. The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

#### G. Mortgagee, Assignee or Receiver

A mortgagee, assignee or receiver of premises but only with respect to such mortgagee, assignee or receiver's liability for "bodily injury", "property damage" or "personal and advertising injury"



arising out of the Named Insured's ownership, maintenance, or use of a premises by a Named Insured.

The coverage granted by this paragraph does not apply to structural alterations, new construction or demolition operations performed by, on behalf of, or for such additional insured.

#### H. State or Governmental Agency or Subdivision or Political Subdivisions - Permits

A state or governmental agency or subdivision or political subdivision that has issued a permit or authorization but only with respect to such state or governmental agency or subdivision or political subdivision's liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. the following hazards in connection with premises a Named Insured owns, rents, or controls and to which this insurance applies:
  - a. the existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or
  - b. the construction, erection, or removal of elevators; or
  - c. the ownership, maintenance or use of any elevators covered by this insurance; or

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2. the permitted or authorized operations performed by a Named Insured or on a Named Insured's behalf.

The coverage granted by this paragraph does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the state or governmental agency or subdivision or political subdivision; or
- b "Bodily injury" or "property damage" included within the "products-completed operations hazard".

With respect to this provision's requirement that additional insured status must be requested under a written contract or agreement, the Insurer will treat as a written contract any governmental permit that requires the Named Insured to add the governmental entity as an additional insured.

#### I. Trade Show Event Lessor

1. With respect to a Named Insured's participation in a trade show event as an exhibitor, presenter or displayer, any person or organization whom the Named Insured is required to include as an additional insured, but only with respect to such person or organization's liability for "bodily injury", "property damage" or "personal and advertising injury" caused by:



- a. the Named Insured's acts or omissions; or
  - b. the acts or omissions of those acting on the Named Insured's behalf,
- in the performance of the Named Insured's ongoing operations at the trade show event premises during the trade show event.

2. The coverage granted by this paragraph does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

#### J. Vendor

Any person or organization but only with respect to such person or organization's liability for "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of such person or organization's business, provided that:

1. The coverage granted by this paragraph does not apply to:
  - a. "bodily injury" or "property damage" for which such person or organization is obligated to pay damages by reason of the assumption of liability in a contract or agreement unless such liability exists in the absence of the contract or agreement;
  - b. any express warranty unauthorized by the Named Insured;
  - c. any physical or chemical change in any product made intentionally by such person or organization;
  - d. repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. any failure to make any inspections, adjustments, tests or servicing that such person or organization has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - f. demonstration, installation, servicing or repair operations, except such operations performed at such person or organization's premises in connection with the sale of a product;
  - g. products which, after distribution or sale by the Named Insured, have been labelled or relabeled or used as a container, part or ingredient of any other thing or substance by or for such person or organization; or
  - h. "bodily injury" or "property damage" arising out of the sole negligence of such person or organization for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:



- (1) the exceptions contained in Subparagraphs d. or f. above; or
  - (2) such inspections, adjustments, tests or servicing as such person or organization has agreed with the Named Insured to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This Paragraph J. does not apply to any insured person or organization, from whom the Named Insured has acquired such products, nor to any ingredient, part or container, entering into, accompanying or containing such products.
3. This Paragraph J. also does not apply:
- a. to any vendor specifically scheduled as an additional insured by endorsement to this Coverage Part;
  - b. to any of "your products" for which coverage is excluded by endorsement to this Coverage Part; nor
  - c. if "bodily injury" or "property damage" included within the "products-completed operations hazard" is excluded by endorsement to this Coverage Part.

#### K. Other Person Or Organization / Your Work

Any person or organization who is not an additional insured under Paragraphs A. through J. above. Such additional insured is an Insured solely for "bodily injury", "property damage" or "personal and advertising injury" for which such additional insured is liable because of the Named Insured's acts or omissions.

The coverage granted by this paragraph does not apply to any person or organization:

1. who is specifically scheduled as an additional insured on another endorsement to this Coverage Part; nor
2. for "bodily injury" or "property damage" included within the "products-completed operations hazard" except to the extent all of the following apply:
  - a. this Coverage Part provides such coverage;
  - b. the written contract or agreement described in the opening paragraph of this Additional Insureds Endorsement requires the Named Insured to provide the additional insured such coverage; and
  - c. the "bodily injury" or "property damage" results from "your work" that is the subject of the written contract or agreement, and such work has not been excluded by endorsement to this Coverage Part.



**ADDITIONAL INSURED - PRIMARY AND NON-CONTRIBUTORY TO ADDITIONAL INSURED'S INSURANCE**

- A. The following paragraph is added to **SECTION IV, COMMERCIAL GENERAL LIABILITY CONDITIONS**, item **4. Other Insurance**:

If the Named Insured has agreed in writing in a contract or agreement that this insurance is primary and non-contributory relative to an additional insured's own insurance, then this insurance is primary, and the Insurer will not seek contribution from that other insurance. For the purpose of this provision, the additional insured's own insurance means insurance on which the additional insured is a Named Insured.

- B. With respect to persons or organizations that qualify as additional insureds pursuant to paragraph K. of this endorsement, the following sentence is added to the paragraph above:

Otherwise, and notwithstanding anything to the contrary elsewhere in this Condition, the insurance provided to such person or organization is excess of any other insurance available to such person or organization.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED

