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$_{14}$	UNITED STATES DISTRICT COURT	
15	NORTHERN DISTRICT OF CALIFORNIA	
16		
	THERESA THOM, an individual,	Case No.:
17	Plaintiff,	COMPLAINT AND DEMAND FOR JURY TRIAL
18	V.	1. Strict Products Liability
19	NEUTRON HOLDINGS. INC, d/b/a LIME, a Delaware Corporation,	2. Negligent Products Liability
$\begin{vmatrix} 20 \\ 21 \end{vmatrix}$		3. Breach of Implied Warranty of Merchantability
22	$oxed{Defendant}.$	4. Breach of Implied Warranty of
23		Fitness For a Particular Purpos
24		
$_{25}$	Plaintiff THERESA THOM (here	eafter referred to as "Plaintiff"), by and
$\begin{vmatrix} 26 \\ 26 \end{vmatrix}$	through her undersigned counsel,	
27	HARLAN LAW, P.C., hereby submits	the following Complaint and Demand



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(hereafter referred to as "Defendant Lime") alleges the following upon personal knowledge and belief, and investigation of counsel:

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## NATURE OF THE CASE

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1. Defendant Lime is a company that deploys electronic scooters into the public under the guise of environmentally friendly transportation without the headache of traffic.

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However, since Defendant Lime's deployment of electronic scooters in late 2017 and early 2018, there have been numerous reports of injuries suffered because of equipment failures, including instances of the scooters suddenly breaking in half while in use.

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> 3. As outlined below, the Plaintiff in this case was the victim of such an equipment failure.

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## THE PARTIES

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4. Plaintiff is a resident and citizen of the city of Troy, County of Oakland, State of Michigan.

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5. Defendant Lime is a company that deploys electronic scooters into the public under the guise of environmentally friendly transportation without the headache of traffic.

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6. Defendant Lime is Delaware Corporation, with a principal business address of 2121 South El Camino Real, Suite B100, Fremont, California 94403.

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## JURISDICTION AND VENUE

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7. This Court has subject matter jurisdiction over this case pursuant to diversity jurisdiction prescribed by 28 U.S.C. § 1332 because the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, and there is complete diversity between the parties.

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8. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(b) in 28 | that Defendant Lime is a resident of this district.



9. Venue is also proper in this Court pursuant to 28 U.S.C. § 1391 because Defendant has sufficient minimum contacts with the State of California and has intentionally availed itself of the markets within California through the promotion, sale, marketing, and distribution of its products.

## **FACTUAL BACKGROUND**

- 10. Since Defendant Lime's deployment of electronic scooters in late 2017 and early 2018, there have been numerous reports of injuries suffered as a result of equipment failures.
- 11. On October 31, 2018, Defendant Lime issued a recall on about 2,000 Segway-made Ninebot scooters after reports that some were catching on fire. The company said it was investigating the "unconfirmed" incidents in at least three cities.
- 12. Less than a month later, Defendant Lime issued a second recall after receiving reports that some of its models were breaking in half; stating that "it was "looking into reports that scooters manufactured by Okai may break and [that it is] working cooperatively with the U.S. Consumer Product Safety Commission and the relevant authorities internationally" and that it would "decommission all Okai scooter is use" but failed to provide a precise number of the affected scooters.<sup>1</sup>
- 13. On February 23, 2019, Defendant Lime acknowledged a third problem; this time a "bug in the firmware" of its scooters that "could under '<u>rare circumstances</u>' cause sudden and excessive braking during use."<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> See https://www.lime/second-street/safety-update-february-2019 (last accessed September 21, 2021) (emphasis added).



<sup>&</sup>lt;sup>1</sup> *See* https://www.washingtonpost.com/technology/2018/11/10/electric-scooter-giant-lime-launches-global-recall-one-its-models-amid-fears-scooters-can-break-apart/ (last accessed September 21, 2021).

Defendant Lime went on to state that "some riders have been injured, and, although most have been 'bumps and bruises', any injury is one too many."

 14. On October 13, 2019, Plaintiff was attending a music festival in Corpus Christi, Texas.

15. After the festival was over, Plaintiff rented a Lime scooter.

16. While using the scooter, the throttle became stuck in the locked position, and the scooter accelerated to full speed.

17. Plaintiff was unable to stop the scooter and hit a crack in the pavement; causing her to be thrown forward and severely injuring her left wrist and hand, which ultimately required surgery.

18. Upon information and belief, Defendant Lime's electronic scooters are manufactured with inadequate safety features.

19. Upon information and belief, Defendant Lime does not properly maintain the scooters, but deploys its scooters into the public and takes no measures to inspect and maintain the scooters.

20. Upon information and belief, Defendant Lime employs "juicers" to pick up the Lime scooters and charge them at their own residence, eventually putting the scooter back into public rotation when charged.

21. Upon information and belief, the Defendant Lime "juicers" are not paid by Lime until they charge the scooter and deploy it back into rotation, at a "LimeHub." Upon information and belief, the Lime "juicers" are not paid if they inform Lime that the scooter is defective and do not place the scooter back into rotation. Upon information and belief, the "juicers" are not employed to maintain the scooters.

22. Upon information and belief, the Lime scooters are defective, as manufactured and designed, or not properly maintained, leading to a dangerous nuisance.

23. Upon information and belief, riders, such as the Plaintiff in this case, are unaware of the clear failure to maintain the scooters, the defective nature of the scooters, and the dangers associated with the scooters, are seriously injured upon using the scooters.

24. Upon information and belief, Lime fails to provide adequate warnings and operational instructions.

## FIRST CAUSE OF ACTION STRICT PRODUCTS LIABILITY

PLAINTIFF, FOR A FIRST CAUSE OF ACTION AGANST NEUTRON HOLDINGS, INC., ALLEGES AS FOLLOWS:

- 25. Plaintiff incorporates by reference each preceding and succeeding paragraph as though set forth fully at length herein.
- 26. At the time of Plaintiff's injuries, Defendant's scooters were defective and unreasonably dangerous for use by foreseeable consumers, including Plaintiff.
- 27. Defendant's scooters were in the same or substantially similar condition as when they left the possession of the Defendant.
  - 28. Plaintiff did not misuse or materially alter the scooter.
- 29. The scooters did not perform as safely as an ordinary consumer would have expected them to perform when used in a reasonably foreseeable way.
- 30. Further, a reasonable person would conclude that the possibility and serious of harm outweighs the burden or cost of making the scooters safe.
- 31. Defendant's actions and omissions were the direct and proximate cause of the Plaintiff's injuries and damages.
- 32. Defendant's conduct, as described above, was extreme and outrageous. Defendant risked the safety and well-being of the consumers and



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