

COMPLETED ACQUISITION BY ZIPCAR INC OF STREETCAR LIMITED

Adoption of Initial Undertakings

On 10 August 2010, the Office of Fair Trading (OFT) made a reference to the Competition Commission (the CC) in accordance with section 22 of the Enterprise Act 2002 (the Act) concerning the completed acquisition by Zipcar Inc of Streetcar Limited.

The reference has not been finally determined.

On 8 June 2010 prior to making the reference, the OFT accepted the undertakings reproduced in the annex below (the Undertakings) from Zipcar Inc and Zipcar (UK) Limited in accordance with section 71 of the Act.

The Undertakings are still in force.

The CC hereby adopts the Undertakings in accordance with section 80(3) of the Act for the purpose of ensuring that no action is taken pending the determination of the reference, which might prejudice that reference or impede the taking of any action by the CC under Part 3 of the Act.

Signed by authority of the CC

.....

Peter J Freeman CBE, QC
Chairman
10 August 2010

INITIAL UNDERTAKINGS

COMPLETED ACQUISITION BY ZIPCAR INC OF STREETCAR LIMITED

UNDERTAKINGS GIVEN BY ZIPCAR INC AND ZIPCAR (UK) LIMITED TO THE OFFICE OF FAIR TRADING PURSUANT TO SECTION 71 OF THE ENTERPRISE ACT 2002

Pursuant to section 71 of the Enterprise Act 2002, for the purpose of preventing pre-emptive action, Zipcar Inc and Zipcar (UK) Limited (“Zipcar”) hereby gives to the OFT the following undertakings (the “undertakings”) in respect of the acquisition by Zipcar Inc of Streetcar Ltd (“Streetcar”).

Management of the parties’ respective businesses until determination of proceedings

1. Except with the prior written consent of the OFT, Zipcar undertake that they will not during the specified period take any action which might:
 - (a) lead to the integration of the Zipcar business with all or any part of the Streetcar business;
 - (b) transfer the ownership or control of the Zipcar business or the Streetcar business;
 - (c) otherwise impair the ability of the Zipcar business or the Streetcar business to compete independently in any markets affected by the acquisition; or
 - (d) otherwise prejudice any reference to the CC or impede the taking of any action under the Act which may be justified by the CC’s decisions on any such reference.

2. Without prejudice to the generality of paragraph 1, except with the prior written consent of the OFT, each of Zipcar and Streetcar will at all times during the specified period, procure that:
 - (a) the Streetcar business is carried on separately and under a separate brand identity from the Zipcar business and separate sales of the Streetcar business are maintained;
 - (b) the Streetcar business and the Zipcar business are each maintained as a going concern and sufficient resources are made available for the development of the Streetcar business and the Zipcar business on the basis of their respective pre-merger plans;

- (c) no substantive changes are made to key staff or to the organisational structure of, or the management responsibilities within the Streetcar business or the Zipcar business;
- (d) in relation to the assets of each of the Streetcar business and the Zipcar business, and otherwise than in the ordinary course of business:
 - (i) the assets are maintained and preserved, including facilities and goodwill;
 - (ii) none of the assets is disposed of; and
 - (iii) no interest in the assets is created or disposed of;
- (e) the nature, description, range and standard of goods and/or services supplied in the United Kingdom by the Streetcar business and the Zipcar business at the date of these undertakings are in all material respects maintained and preserved;
- (f) there is no integration of the information technology of the Streetcar business with the information technology of the Zipcar business and the respective software and hardware platforms of the Streetcar business and the Zipcar business shall remain unchanged, except for routine changes and maintenance;
- (g) the customer and supplier lists of each of the Streetcar business and the Zipcar business shall be operated and updated separately and any negotiations with the customers and suppliers in relation to the Streetcar business will be carried out by the Streetcar business alone and for the avoidance of doubt Zipcar will not negotiate on behalf of Streetcar or enter into any joint agreements with Streetcar;
- (h) all existing contracts continue to be serviced by the business to which they were awarded;
- (i) all reasonable steps are taken to encourage all key staff of the Streetcar business and the Zipcar business to remain with the business in relation to which they were employed prior to the merger;
- (j) no business secrets, know-how, commercially sensitive information, intellectual property or any other information of a confidential or proprietary nature relating to the Streetcar business or the Zipcar business ("Confidential Information") shall pass, directly or indirectly from the Streetcar business (or any of its employees, directors, agents or affiliates) to the Zipcar business (or any of its employees, directors, agents or affiliates) or vice versa, except:
 - (i) where strictly necessary in the ordinary course of business and on the basis that, should the merger be prohibited, any records or copies (electronic or otherwise) of such information wherever they may be held will be returned to the relevant business and

any copies destroyed other than as may be required for the purposes of regulatory compliance under applicable law; and

- (ii) the flow of Confidential Information from the Streetcar business (or any of its employees, directors, agents or affiliates) to the Zipcar business (or any of its employees, directors, agents or affiliates) is permitted to the extent that such disclosure of information is strictly necessary for compliance with external regulatory and/or accounting obligations, including but not limited to, the disclosure of information required by the U.S. Securities and Exchange Commission in connection with the proposed initial public offering by Zipcar, Inc.

Compliance

3. Zipcar shall procure that each of their subsidiaries complies with these undertakings as if it had given them.
4. Zipcar shall forthwith provide to the OFT such information as the OFT may from time to time require for the purposes of monitoring compliance by Zipcar and their subsidiaries with these undertakings. In particular, on the 8 June 2010 and subsequently every 10 working days thereafter (save where the obligation does not fall on a working day, in which case the first working day thereafter), the Chief Executive Officer of Zipcar shall provide a statement to the OFT on behalf of Zipcar confirming compliance with these undertakings in the form set out in the Appendix to these undertakings.
5. At all times, Zipcar will actively keep the OFT informed of any material developments relating to the Streetcar business, which includes, but is not limited to:
 - (a) details of key staff who leave or join the Streetcar business or the Zipcar business;
 - (b) any Streetcar business or Zipcar business service breakdowns which have halted operations for more than 24 hours or changes in the Streetcar business' or Zipcar business' operational arrangements which have affected the working pattern of more than five Streetcar business or Zipcar business employees;
 - (c) all substantial customer volumes won or lost by the Streetcar business or the Zipcar business including any substantial changes in customers' demand; and
 - (d) substantial changes in the Streetcar business' or Zipcar business' contractual arrangements or relationships with key suppliers.
6. Zipcar shall comply with such written directions as the OFT may from time to time give to take such steps as may be specified or described in the directions for the purpose of carrying out or securing compliance with these undertakings.

Interpretation

7. The Interpretation Act 1978 shall apply to these undertakings as it does to Acts of Parliament.

8. For the purposes of these undertakings:

“the Act” means the Enterprise Act 2002;

“an affiliate” of a person is another person who satisfies the following condition, namely that any enterprise (which, in this context, has the meaning given in section 129(1) of the Act) that the first person carries on from time to time and any enterprise that the second person carries on from time to time would be regarded as being under the common control for the purposes of section 26 of the Act;

“business” has the meaning given by section 129(1) and (3) of the Act;

“the CC” means the Competition Commission;

“control” shall be construed in accordance with section 26 of the Act and in the case of a body corporate, a person shall be deemed to control it if he holds, or has an interest in, shares of that body corporate which amount to 10 per cent or more of its issued share capital or which carry an entitlement to vote at meetings of that body corporate of 10 per cent or more of the total number of votes which may be cast at such meetings;

“the decisions” means the decisions of the CC on the questions which it is required to answer by virtue of section 35 of the Act;

“key staff” means staff in positions of executive or managerial responsibility and/or whose performance could materially affect the viability of the business;

“the merger” means the creation of the relevant merger situation between the Zipcar business and the Sreetcar business;

“the OFT” means the Office of Fair Trading, provided that, should the CC adopt these undertakings pursuant to section 80(3) of the Act, references to “the OFT” in paragraphs 1 and 2 of these undertakings shall be taken as references to the CC, and references to “the OFT” in paragraphs 4, 5 and 6 of these undertakings shall be taken to include both the Office of Fair Trading and the CC;

“the ordinary course of business” means matters connected to the day to day supply of goods and/or services by Streetcar or Zipcar and does not include matters involving significant changes to the organisational structure or related to the post-merger integration of Streetcar or Zipcar;

“the specified period” means the period beginning on the date of these undertakings and terminating either at the end of the period specified in

section 71(5) or (6) of the Act or, should the CC adopt these undertakings pursuant to section 80(3) of the Act, the end of the period specified in section 80(7) or (8) of the Act;

“**subsidiary**”, unless otherwise stated, has the meaning given by section 1159 of the Companies Act 2006;

“**Zipcar**” means Zipcar Inc and Zipcar (UK) Limited;

“**the Zipcar business**” means the business of Zipcar and its subsidiaries carried on as from 8 June 2010;

“**working day**” mean any day of the week other than a Saturday, Sunday or any other day that is a public holiday in England;

“**Streetcar**” means Streetcar Limited;

“**the Streetcar business**” means the business of Streetcar and its subsidiaries carried on as from 8 June 2010.

In these undertakings unless the context requires otherwise, the singular shall include the plural and vice versa.

FOR AND ON BEHALF OF ZIPCAR INC

..... Signature Signature
.....Name Name
.....Title Title
.....Date Date
(Director)	(Director/Company Secretary)

FOR AND ON BEHALF OF ZIPCAR (UK) LTD

..... Signature Signature
.....Name Name
.....Title Title
.....Date Date
(Director)	(Director/Company Secretary)

**Consent to certain actions for the purposes of the initial undertakings
accepted by the OFT on 8 June 2010.**

Completed acquisition by Zipcar Inc. of Streetcar Ltd

We refer to your request that the OFT consent to derogations to the Initial Undertakings of 8 June 2010.

Under the Initial Undertakings of 8 June 2010, save for by written consent by the OFT, provision was made that Zipcar Inc and Zipcar (UK) Ltd would hold separate from Streetcar Ltd.

After due consideration of your request for derogations to the Initial Undertakings, Zipcar Inc and Zipcar (UK) Ltd may carry out the following actions, in respect of the following paragraphs:

2(i) and (j) Initial Underakings

- The provision by Zipcar of on-going engineering support to Streetcar [CONFIDENTIAL BUSINESS SECRET].
- The provision by Zipcar of on-going support in connection with [CONFIDENTIAL BUSINESS SECRET].

2(f) Initial Undertakings

- The purchase by Zipcar of additional capacity for Streetcar's IT systems.

**Consent to certain actions for the purposes of the initial undertakings
accepted by the OFT on 17 June 2010.**

Completed acquisition by Zipcar Inc. of Streetcar Ltd

We refer to your letter of 14 June 2010 requesting that the OFT consent to a derogation to the Initial Undertakings of 8 June 2010.

Under the Initial Undertakings of 8 June 2010, save for by written consent by the OFT, provision was made that Zipcar Inc and Zipcar (UK) Ltd would hold separate from Streetcar Ltd.

After due consideration of your request for derogations to the Initial Undertakings, Zipcar Inc and Zipcar (UK) Ltd may carry out the following actions, in respect of the following paragraph:

2(j) Initial Undertakings

- The provision of assistance and support by [Confidential – specified positions and names of Zipcar, Inc employees] to Streetcar to ensure that Streetcar is in a position to [Confidential – details of financing arrangements]. The assistance will include:
 - [Confidential – explanation of assistance and support]
 - [Confidential – explanation of assistance and support]