

VEHICLE EXTENDED SERVICE TERMS AND CONDITIONS

These Tesla Motors Canada Inc. ("Tesla") Vehicle Extended Service Terms and Conditions ("Vehicle ESA") cover the repair or replacement necessary to correct defects in the materials or workmanship of any parts manufactured or supplied by Tesla of the subject Vehicle that occur under normal use in the event of a Failure for the selected period of time or mileage (whichever occurs first), with coverage becoming available on and retroactive to the date that Your New Vehicle Limited Warranty expires (the "Effective Date"), provided that You purchase this Vehicle ESA no later than 30 days after such expiration date. This Vehicle ESA is subject to the following terms, conditions, limitations, extensions, exceptions and definitions and does not cover, among other specified items, Your Vehicle's Battery; for Battery extended coverage please ask a Tesla representative about Tesla's Battery Extended Service. No person has the authority to change this Vehicle ESA or to waive any of its provisions. This Vehicle ESA is for the sole benefit of the purchaser and applies only to the vehicle for which it is purchased.

SERVICE TYPE:

Agreement Period (whichever occurs first)	Purchase Price
ROADSTER:	
1 year or 20,000 kilometers	CAD\$3,100.00
2 years or 40,000 kilometers	CAD\$4,150.00
3 years or 60,000 kilometers	CAD\$5,200.00
MODEL S:	
4 year or 80,000 kilometers	CAD\$4,100.00

You acknowledge and agree that You shall be responsible for all applicable state, provincial and local taxes on the purchase price, deductible or transfer fee as required by law. Any such applicable taxes are not included in the purchase price of this Vehicle ESA.

The obligations of Tesla under this Vehicle ESA are backed by the full faith and credit of Tesla and are not guaranteed under a service contract reimbursement policy.

Definitions:

The following capitalized terms shall have the meanings set forth below:

- "Battery" means the Vehicle's high voltage lithium-ion battery.
- "Deductible" means the portion that You must pay for a covered repair, as indicated above. The Deductible under this Vehicle ESA is CAD\$200.
- "Effective Date" means the date that Your New Vehicle Limited Warranty expires. Once Your application has been accepted, Your coverage will be retroactive to this date.
- "Failure" means the complete failure or inability of any covered part to perform the function(s) for
 which it was designed due to defects in material or workmanship of any parts manufactured or
 supplied by Tesla that occur under normal use. Failure <u>does not</u> include the gradual reduction in
 operating performance due to normal wear and tear.
- "Tesla Authorized Service Center" means any Service Center that is authorized by Tesla, including any Tesla Store, Tesla Service Center and any authorized third party service provider. A list of Tesla



Authorized Service Centers is provided at www.teslamotors.com or You may dial 1-877-798-3752 for the nearest location.

- "Tesla" means Tesla Motors Canada Inc., 7175 Tranmere Road, Unit #2, Mississauga, ON L5S 1N4, 1-877-79-TESLA (1-877-798-3752), unless otherwise indicated.
- "Vehicle" means the Vehicle for which this Vehicle ESA is purchased.
- "Vehicle ESA" means these Vehicle Extended Service Terms and Conditions between You and Tesla.
- "Vehicle ESA Purchase Date" means the date of acceptance of this Vehicle ESA.
- "You," "Your" means the purchaser of this Vehicle ESA, or any subsequent owner to whom the subject Vehicle has been transferred pursuant to this Vehicle ESA, as applicable.

A. One-Time Deductible Guarantee

Once a part is repaired or replaced under the terms and conditions of this Vehicle ESA, and the Deductible is paid, any Deductible for a future repair or replacement of that part will be waived for the term of this Vehicle ESA.

B. Tesla's Responsibilities

Tesla agrees to repair or replace any covered part as required due to a Failure.

For additional information see Section H. Limits of Liability.

C. Your Responsibilities

The Owner's Manual includes specific recommendations regarding the use, operations, and maintenance of the Vehicle. To maintain the validity of this Vehicle ESA, You must follow correct operations procedures and have Your Vehicle serviced as recommended by Tesla. If requested, proof of required service, including receipts showing date and mileage of the Vehicle at the time of service, must be presented before any repairs under this Vehicle ESA commence. Service within 1,600 kilometers and/or 30 days of Tesla's recommended intervals shall be considered compliant with the terms of this Vehicle ESA. Upon customary and reasonable notice of the occurrence of a Failure, You shall protect the Vehicle from further damage, regardless of whether or not such Failure is covered under this Vehicle ESA. Any operation of the Vehicle that results in further damage shall be considered Your failure to protect the Vehicle and shall not be covered under this Vehicle ESA. You are responsible to ensure that the warning lights are functioning before driving the Vehicle. You are required to safely pull Your Vehicle off the road and turn it off immediately when any warning light indicates a problem.

You must give Your authorization to the Tesla Authorized Service Center for teardown, access to Vehicle data and the costs for these services in order to diagnose a problem. You may be required to supply Tesla with all maintenance records for service performed on the Vehicle.

D. Obtaining Vehicle ESA Service

In the event of Failure, You may take Your Vehicle to any Tesla Authorized Service Center. Please have Your mileage and date of Failure ready for Tesla, and make Tesla aware of the existence of this Vehicle ESA before repairs are performed.

- Cease operating the Vehicle if necessary to prevent further damage. Failure to do so will cause any
 additional repair cost to be borne by You.
- Take Your Vehicle to any Tesla Authorized Service Center, or call any Tesla Authorized Service Center for instruction.
- Provide proof of maintenance if requested.
- Permit inspection before performance of any repairs.
- Cooperate in investigation of the Failure.

In the event of the need for emergency repairs outside of business hours:



- Dial 1-877-798-3752 to arrange for roadside assistance that is available 24 hours a day, 7 days a
 week.
- If necessary, Your Vehicle will be transported to the nearest Tesla Authorized Service Center by roadside assistance.

The cost of transporting Your Vehicle is not included in this Vehicle ESA and You are solely responsible for the cost of transporting Your Vehicle to the Tesla Authorized Service Center.

E. Exclusions (What Is Not Covered)

This Vehicle ESA does not cover certain parts or any Vehicle damage or malfunction directly or indirectly caused by, due to or resulting from normal wear or deterioration, abuse, misuse, negligence, accident, lack of or improper maintenance, operation, storage or transport, including, but not limited to, any of the following:

- The Battery;
- Repairs, modifications or alterations, or the installation or use of fluids, parts or accessories, performed by any service provider other than a Tesla Authorized Service Center without prior authorization from Tesla;
- Failure to take the Vehicle to a Tesla Authorized Service Center upon discovery of a defect covered by this Vehicle ESA;
- Negligence, misuse or abuse, such as carrying passengers and cargo exceeding specified load limits
 or otherwise overloading the Vehicle or using the Vehicle as a stationary power source, or a lack of or
 improper repair or maintenance, including not performing all vehicle maintenance and service
 requirements, including those indicated by the vehicle's systems, observing scheduled inspections or
 making all services and repairs, non-compliance with any recall advisories, or use of fluids, parts or
 accessories other than those specified in your owner documentation (see maintenance requirements
 in Section C. Your Responsibilities);
- Accidents, collision, objects striking the Vehicle, theft, vandalism, riots, or acts of God, including, but
 not limited to, exposure to sunlight, airborne chemicals, tree sap, animal or insect droppings, road
 debris (including stone chips), industry fallout, rail dust, salt, hail, floods, acid rain, fire, explosion,
 earthquake, windstorm, water, contamination, lightning and other environmental conditions:
- Tires and wheels;
- Vehicles used for commercial purposes, which includes but is not limited to government purposes, pick-up, and delivery service, company pool use, or for service or repair calls, route work, or hauling:
- Racing on or off road, competition, speed contests or autocross or for any other purposes for which
 the Vehicle is not designed or driving the Vehicle off-road, over uneven, rough, damaged or
 hazardous surfaces, including but not limited to, curbs, potholes, unfinished roads, debris, or other
 obstacles:
- · Vehicles used for towing;
- Where the odometer is inaccurate, inoperative or altered so that the Vehicle's true mileage cannot be ascertained or verified;
- Vehicles that have been transported or driven outside the Tesla North America Warranty Region;
- Vehicles that have had the VIN defaced or altered so that it is difficult to determine the VIN number or actual mileage;
- Vehicles that have been labeled or branded as dismantled, fire-damaged, flood-damaged, junk, rebuilt, salvage, reconstructed, irreparable or a total loss;
- Vehicles that have been determined to be a total loss by an insurance company;
- Towing the Vehicle or improper winch procedures:
- Continued operation and failure to protect the Vehicle from further damage caused by lack of necessary coolants or lubricants, sludge or lubricant contamination, rust or corrosion;
- Corrosion or paint defects including, but not limited to, the following:
 - Corrosion from defects in non-Tesla manufactured or supplied materials or workmanship causing perforation (holes) in body panels or the chassis from the inside out;
 - Surface or cosmetic corrosion causing perforation in body panels or the chassis from the outside in, such as stone chips or scratches; and



- Corrosion and paint defects caused by, due to or resulting from accidents, paint matching, abuse, neglect, improper maintenance or operation of the vehicle, installation of an accessory, exposure to chemical substances, or damages resulting from an act of God or nature, fire, or improper storage;
- Tampering with the Vehicle and its systems, including installation of non-Tesla accessories or parts or their installation, or any damage directly or indirectly caused by, due to or resulting from the installation or use of non-Tesla parts or accessories;
- Damage to a covered part that is damaged by a non-covered part;
- Damage that occurs prior to this Vehicle ESA's Purchase Date or is reported after this Vehicle ESA's expiration;
- Any and all indirect, incidental, special and consequential damages arising out of or relating to Your Vehicle, including, but not limited to, those specified in Section H. Limits of Liability;
- · Storage and freight charges;
- The cost of teardown, disassembly or assembly if coverage cannot be applied;
- Adjustments necessary to correct squeaks, rattles, water leaks or wind noise;
- · Maintenance/Parts, including but not limited to the following:
 - Parts and normal or expendable maintenance items and procedures such as annual service and diagnostics checks, brake pads/linings, brake rotor, suspension alignment, wheel balancing, hoses, air conditioning lines, hoses or connections, Battery testing, fluid changes, appearance care (such as cleaning and polishing), filters and wiper blades/inserts; and
 - Other maintenance services and parts described in Tesla's maintenance schedule for the covered Vehicle:
- Other Parts not covered:
 - Bright metal, sheet metal, bumpers, ornamentation moldings, carpet, upholstery, paint, shock absorbers, battery, battery cables, lenses, light bulbs, sealed beams, glass (e.g., windshield), wheels, interior trim, body seals and gaskets (e.g., weather stripping); and
 - o Removable soft tops, removable hard tops, glass, plastic, framing, cables, or seals;
- Additional loss or damage due to failure to use reasonable precautions to protect the Vehicle from any further loss or damage after a Failure has occurred; and
- Any costs if verifiable receipts as required in Section C. Your Responsibilities are not furnished on request.

F. Agreement Period

This document is an application for coverage under a Vehicle ESA. Upon acceptance by Tesla, this application becomes the Vehicle ESA, and the coverage is retroactive to the Effective Date, provided that You purchase this Vehicle ESA no later than 30 days after the Effective Date. The Agreement Period commences on the Effective Date and remains in effect pursuant to the applicable extended service option selected herein. In the event Your application is not accepted, You will receive a refund of the Vehicle ESA purchase price from Tesla. Nothing herein guarantees acceptance of this application. Sections C through L shall survive any termination or expiration of this Vehicle ESA.

G. Territory

This Vehicle ESA applies to a Vehicle sold by Tesla in the Tesla North America Warranty Region and transported or driven only in the Tesla North America Warranty Region. For purposes of this Vehicle ESA, the Tesla North America Warranty Region is defined as all 50 states of the United States of America, the District of Columbia, and all 13 provinces and territories of Canada. If Your Vehicle was sold, transported or driven outside the Tesla North America Warranty Region, no warranties or coverage, including this Vehicle ESA, will apply.

H. Limits of Liability

Implied and express warranties and conditions arising under applicable state or provincial laws or federal statute or otherwise in law or in equity, if any, including, but not limited to, implied warranties and

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conditions of merchantability or merchantable quality, fitness for a particular purpose, durability, or those arising by a course of dealing or usage of trade, are disclaimed to the fullest extent allowable by law, or limited in duration to the term of this Vehicle ESA. The performance of necessary repairs and parts replacement is the exclusive remedy under this Vehicle ESA or any implied warranties. Liability is limited to the reasonable price for repair or replacement of any covered part, not to exceed the manufacturer's suggested retail price for that part. Replacement may be made with parts of like kind and quality, including non-original manufacturer's parts or remanufactured parts, as necessary.

In no event shall liability for a Failure under this Vehicle ESA exceed the fair market value of the Vehicle at the time immediately preceding the Failure. In addition, the sum of all benefits payable under this Vehicle ESA shall not exceed the price You paid for Your Vehicle.

Tesla does not authorize any person or entity to create for it any other obligations or liability in connection with this Vehicle ESA. The decision of whether to repair or replace a part or to use a new or remanufactured part will be made by Tesla, in its sole discretion.

Tesla will not pay for or reimburse You for services that are performed by any party other than a Tesla Authorized Service Center or Tesla Ranger. Tesla hereby disclaims any and all indirect, incidental, special and consequential damages arising out of or relating to Your Vehicle, including, but not limited to, transportation to and from a Tesla Authorized Service Center, loss of Vehicle value, loss of time, loss of income, loss of use, loss of personal or commercial property, inconvenience or aggravation, emotional distress or harm, commercial loss (including but not limited to lost profits or earnings), towing charges, bus fares, vehicle rental, service call charges, gasoline expenses, lodging expenses, damage to tow vehicle, and incidental charges such as telephone calls, facsimile transmissions, and mailing expenses.

The above limitations and exclusions shall apply whether Your claim is in contract, tort (including negligence and gross negligence), breach of warranty or condition, misrepresentation (whether negligent or otherwise) or otherwise at law or in equity, even if Tesla is advised of the possibility of such damages or such damages are reasonably foreseeable.

I. Dispute Resolution and Arbitration Agreement

To the fullest extent allowed by the law of Your jurisdiction, Tesla requires that You first provide Tesla, during the applicable period specified in this Vehicle ESA, with notification of any Failure You have experienced within a reasonable time to allow Tesla an opportunity to make any needed repairs, before You submit to our dispute settlement program.

Should You elect to submit to our dispute settlement program, please send Your written notification to:

Tesla Motors Canada Inc. 7175 Tranmere Road, Unit #2 Mississauga, ON L5S 1N4 Attention: Vehicle Service

Please include the following information:

- · Vehicle ESA and Effective Date;
- Your name and contact information:
- Vehicle Identification Number;
- Name and location of the Tesla Store and/or Tesla Service Center nearest You;
- Vehicle delivery date;
- Current mileage;
- · Description of the defect; and
- History of the attempts You have made with a Tesla Store or a Tesla representative to resolve the concern, or of any repairs or services that were not performed by a Tesla Authorized Service Center.



In the event any disputes, differences or controversies arise between You and Tesla related to this Vehicle ESA, Tesla will explore all possibilities for an amicable settlement. In case an amicable settlement is not reached, Tesla offers a dispute settlement program through:

NATIONAL CENTER FOR DISPUTE SETTLEMENT ("NCDS") P.O. Box 526 Mt. Clemens, MI 48046 1-866-629-3204

Customers with vehicles registered in Canada will be referred by NCDS to the Canadian Motor Vehicle Arbitration Program ("CAMVAP") and subject to CAMVAP procedures and remedies.

Tesla requires that You submit Your dispute to our dispute settlement program and wait for a decision to be issued prior to pursuing any remedy under federal or state laws, although You may be entitled to pursue a remedy without submitting under certain state or provincial laws or if You pursue any rights or remedies not created by these laws. This dispute settlement program administered by CAMVAP is free of charge to You although it may cost You to prepare and present Your claim, including but not limited to fees and expenses of legal representation (if any), witnesses or interpreters. CAMVAP's decision is binding on Tesla and You. CAMVAP's decisions do not include, among others, consequential or incidental damages, loss of profits, inconvenience, loss of use or availability of Your Vehicle, or punitive damages.

The description provided above is only a brief summary of the dispute settlement program administered by CAMVAP. The dispute settlement program may be changed at any time without prior notice. Contact NCDS at the above listed address or phone number to be referred to CAMVAP for the most current information concerning the dispute settlement program.

J. Transfer of this Vehicle ESA

Contact Tesla and submit the following:

- 1. A letter requesting that Tesla transfer this Vehicle ESA to the new owner.
- 2. CAD\$100 transfer fee.
- 3. This Vehicle ESA.
- 4. Written evidence verifying all maintenance requirements have been met.
- 5. A copy of documentation evidencing change of ownership and mileage at date of sale.
- 6. Documents verifying transference of the Vehicle ESA, if applicable.

Conditions:

- 1. This Vehicle ESA cannot be transferred to another vehicle. It can only be transferred to a different private owner of the same Vehicle.
- 2. The Vehicle is subject to inspection.
- 3. Transfer must take place within 30 days of change of ownership.
- 4. You may not transfer this Vehicle ESA to a vehicle dealer or to the customer of a vehicle dealer.
- 5. All remaining underlying warranties also must be transferred to the new owner.

K. Cancellation

This Vehicle ESA may not be cancelled by You or Tesla and no return of the purchase price or any other fees or taxes will be provided by Tesla to You. This Vehicle ESA is not being sold in any jurisdiction in which the sale or performance of this Vehicle ESA is not permitted pursuant to applicable law at the time of purchase. Any such sale is void *ab initio* and of no force and effect and will not be deemed a cancellation. You will receive a full refund provided no services have been provided by Tesla.



L. Entire Agreement; Severability; Waiver; Governing Law.

This Vehicle ESA and any work orders executed at the time of service constitute the entire agreement between You and Tesla with respect to the subject matter hereof and supersede all prior agreements, statements, promises, understandings and negotiations, whether written or oral, regarding the subject matter hereof, and any terms and conditions included on Tesla's work orders, whenever delivered. This Vehicle ESA and any work order cannot be amended unless in writing and signed by duly authorized representatives of each party.

In the event that any provision of this Vehicle ESA or any work order is held by a court of competent jurisdiction to be unenforceable because it is invalid or in conflict with any law of any relevant jurisdiction, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Vehicle ESA or such work order did not contain the particular provisions held to be unenforceable, and the unenforceable provisions shall be replaced by mutually acceptable provisions which, being valid, legal and enforceable, come closest to the intention of the parties underlying the invalid or unenforceable provision.

The waiver of any of the terms or provisions of this Vehicle ESA in any one or more instances shall not be deemed a permanent waiver of this entire Vehicle ESA. No waiver shall be effective unless in writing and signed by authorized representatives of both parties.

Except in Quebec or as otherwise required by applicable law, this Vehicle ESA shall be governed by the laws of Ontario without regard to its conflict of law principles. Except in Quebec or as otherwise required by applicable law, the courts in Toronto, Ontario shall have exclusive venue for disputes relating to the interpretation or enforcement of this Vehicle ESA.

QUEBEC CUSTOMERS ONLY: You acknowledge that a French version of this document was made available to you. *Vous reconnaissez qu'une version française de ce document a été mis à votre disposition.* The parties hereto agree that this document and all other documents associated with the agreement and all communications between them will be in English. *Les parties aux présentes conviennent à ce que ce document et tous autres documents et communications soient rédiger en anglais.*



QUEBEC CUSTOMERS ONLY:

AVIS SUR LA GARANTIE LÉGALE

La loi accorde une garantie sur le bien que vous achetez ou louez: il doit pouvoir servir à son usage normal pendant une durée raisonnable.

(Le commerçant a l'obligation de vous lire le texte ci-dessus.)

La Loi sur la protection du consommateur accorde une garantie sur tous les biens que vous achetez ou louez d'un commerçant.

Le bien doit pouvoir servir:

- · à l'usage auquel il est normalement destiné (article 37 de la Loi);
- · à un usage normal pendant une durée raisonnable, qui peut varier selon le prix payé, les dispositions du contrat et les conditions d'utilisation (article 38 de

Pour plus de renseignements sur cette garantie légale, consultez le site de l'Office de la protection du consommateur au www.opc.gouv.qc.ca.

NOTICE CONCERNING THE LEGAL WARRANTY

The law provides a warranty on the goods you purchase or lease: they must be usable for normal use for a reasonable length of time.

(The merchant is required to read you the above text.)

The Consumer Protection Act gives a warranty on all goods you purchase or lease from a merchant.

The goods must be usable

- · for the purposes for which they are ordinarily used (section 37 of the Act) and
- · in normal use for a reasonable length of time, which may vary according to the price paid, the terms of the contract and the conditions of use (section 38 of the Act).

For more information on this legal warranty, go to the website of the Office de la protection du consommateur at www.opc.gouv.qc.ca.