Tesla Energy Products Purchase & Home Improvement Agreement

This "<u>Agreement</u>" is between you and the Tesla entity ("<u>Tesla</u>", "<u>we</u>" "<u>us</u>" or "<u>our</u>") identified below. It consists of (1) the below Price Sheet and (2) the attached terms & conditions, and is effective on the date you agree to this Agreement (by electronic acceptance, signature or e-mail).

Price Sheet

Tesla entity / Provider	
Tesla, Inc. of 3500 Deer Creek Road, Palo Alto, CA, 94304 888-765-2489	
Installer	
Tesla Energy Operations, Inc.	
Salesperson Name and License Number	
Energy Products and Contract Price	
Solar System 3.8kW	\$10,500.00
Solar System 7.6kW	\$19,500.00
Solar System 11.4kW	\$29,000.00
Solar System 15.1kW	\$37,500.00
Solar System 3.8kW + 1 Powerwall	\$21,000.00
Solar System 7.6kW + 2 Powerwalls	\$33,500.00
Solar System 11.4kW + 3 Powerwalls	\$46,500.00
Solar System 15.1kW + 4 Powerwalls	\$59,600.00
Schedule of Payments	
Paid at Order	\$100.00
Due Following Inspection	100%

The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE ADOWNPAYMENT.

You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form for an explanation of this right.

Customer's Initials:

Due Following Inspection

If you are financing your System through one of our financing partners, the timing and amount of your payments (and any applicable interest accrued) will be subject to the terms and conditions of your agreement with your financier. If your financier fails to make payment on your behalf, or your financing is terminated by you or your financier, you will remain obligated to make payment under the terms of this Agreement.

Estimated First Year Production (not guaranteed)

Approximate Installation Start Date

10-90 days from the date of this Agreement

Approximate Completion Date

10-90 days from the date of this Agreement

Signed by

Your signature

Tesla, Inc.

Name: Date:

Name: RJ Johnson Title: Senior Director, Energy

Name: Date:

You are entitled to a completely filled in copy of this Agreement, signed by both you and Tesla, before any work may be started.

Energy Products Purchase & Home Improvement Agreement Terms & Conditions

1. **Purchase.** You agree to purchase the products described in your Price Sheet ("<u>Products</u>"). We agree to sell you the Products and install them at the address identified in your Price Sheet. References to specific products (Solar System and Powerwall, each as included and defined in your Price Sheet) only apply if you are purchasing those products.

2. **Contract Price.** Your Price Sheet shows the price of your Products and their installation ("<u>Contract Price</u>"). The Contract Price is inclusive of all taxes and permitting fees. Any rebate and incentive amounts listed on the Price Sheet are estimates. Tesla does not guarantee these amounts or your eligibility for any rebates or incentives.

3. **Changes to Price Sheet.** We will update the Price Sheet if we are required to change any details due to unforeseen circumstances, including the unavailability or change in value of any incentive payable to Tesla, which Tesla assumed in setting the Contract Price. If any of these changes negatively impact you (e.g., your Contract Price increases or your Solar System size or output decreases), we will give you the opportunity to accept or reject the updated Price Sheet prior to installation of your Products. If you accept that updated Price Sheet, it will supersede this Agreement. If you do not accept that updated Price Sheet, this Agreement will terminate and we will refund your Order Payment (unless the change was at your request). Due to inventory availability, we may choose to increase your solar energy system size by up to 10% at no additional cost to you and without a change to the Price Sheet.

4. **Installation; Service.** We will contact you to schedule installation of your Products. Installation will be performed by us, our affiliate or subcontractor. You authorize us, our affiliate or subcontractor to submit on your behalf any permit or interconnection application that is required for your Products. You also agree to give us, our affiliate or subcontractor access to the installation location as scheduled so we can install and service your Products. You are responsible for all existing property conditions at the installation location, whether known or unknown.

5. **Payment.** By entering into this Agreement, you agree to pay the Contract Price as described in the Price Sheet. We may provide you combined or separate invoices for each of your Products. Title to your products will transfer to you after we complete installation and we receive payment in full of the Contract Price.

6. **Cancellation.** In some locations, you have the right to cancel this Agreement for a limited period of time after this Agreement becomes effective and claim reimbursement of your Order Payment. If you have this right, it will be described in Exhibit 1.

7. **Order Payment**. The Order Payment (if any) that you previously paid for your Products is now non-refundable, except in the circumstances described above. When this Agreement becomes effective, we incur significant costs preparing to install your Products. The Order Payment is a reasonable estimate of the damages we would incur if you cancel your order before your Products are installed.

8. **Privacy.** The Tesla Customer Privacy Policy is part of this Agreement. You agree to be contacted at the phone number listed in the Price Sheet with more information or offers about Tesla products. You understand these calls or texts may use automated dialing or pre-recorded messages. This consent is not a condition of purchase. You may opt out of this consent at any time by contacting us at 888-765-2489.

9. **Intellectual Property.** We own all intellectual property rights associated with your Products. We grant you a non-exclusive license to use any imbedded software in connection with the operation of your Products only.

10. **Remote Monitoring and Firmware Upgrades.** You agree that Tesla may access your Products remotely to monitor performance, perform diagnostics and upgrade firmware. This monitoring requires a high speed internet line (provided at your cost) to operate. If you do not maintain this internet connection your monitoring will not function.

11. **Maintenance & Operation.** We will provide you with an initial copy of the Owner's Manual(s) for your Products (which may be updated from time to time, the "Owner's Manuals"). The Owner's Manuals provide operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information. You must maintain and operate your Products in accordance with the instructions in the Owner's Manuals.

12. Limited Warranties. Your Products and installation work are covered by the following limited warranties. THESE ARE THE ONLY EXPRESS WARRANTIES MADE IN CONNECTION WITH YOUR PRODUCTS AND INSTALLATION WORK. Any other warranties, remedies and conditions, whether oral, written, statutory, express or implied (including any warranties of merchantability and fitness for purpose, and any warranties against latent or hidden defects) are expressly disclaimed. If such warranties cannot be disclaimed, Tesla limits the duration of and remedies for such warranties to the durations and remedies described below.

Solar panels	Your solar panels are covered by a warranty from their manufacturer. This warranty will be at least 12 years for workmanship and will guarantee at least 80% of nameplate power capacity for at least 25 years. This warranty will be transferred to you automatically when you pay the Contract Price. At your request we will make any claim under this warranty on your behalf and perform any related labor at our cost.
Inverter	Your inverter is covered by a warranty from its manufacturer. This warranty will cover defects for at least 10 years, and will be transferred to you automatically when you pay the Contract Price. At your request we will make any claim under this warranty on your behalf and perform any related labor at our cost. If you need to replace your inverter after this warranty expires, please contact us and we will help you obtain and install a replacement, both at your cost.
Powerwall	Your Powerwall is covered by the <u>Tesla Powerwall Limited Warranty</u> . The Tesla Powerwall Limited Warranty includes the arbitration provision contained in Section 18 below. By approving this Agreement, you accept the terms of the Tesla Powerwall Limited Warranty.
Workmanship	We warrant that (a) our installation workmanship will be free from defects for 20 years from the date your Products are installed (or, in the case of main panel or structural upgrades, 1 year from the date those upgrades were performed); (b) our installation workmanship will not invalidate the manufacturer's warranty for your solar panels or inverter, or the Tesla Powerwall Limited Warranty; (c) all roof penetrations we make will be watertight for the longer of 10 years or until the end of any existing installation warranty or new home builder performance standard for your roof; and (d) we will not damage your property during our installation of your Products. If we breach this warranty, we will repair the defective work, roof penetration or damage at our cost. If we can't do this ourselves, we will pay for someone else to do it. This shall not extend the original warranty period, but the remainder of the original warranty period shall apply to the repair work.

Warranty Exclusions. The "Workmanship" warranty above does not cover any defect caused by (1) events 13. beyond our reasonable control, including but not limited to lightning, flood, earthquake, fire, excessive wind and other extreme weather events, accidents, abuse, misuse or negligence; (2) your failure to operate or maintain your Products in accordance with the applicable Owner's Manual(s); (3) strikes by balls or other objects, dirt, dust, bird excrement, animals, insects, foliage or algae growth; (4) roof leaks caused by ordinary wear and tear, or water entering around a fitting, accessory or other material not installed by Tesla; (5) any material or equipment connected to your Products that was not installed by us; or (6) someone other than Tesla installing, altering, removing, re-installing or repairing any part of your system unless that person does so in compliance with the Owner's Manual(s). The "Workmanship" warranty also does not cover (i) any defects in the equipment or components incorporated into our work (such as breakers, electrical panels, soft-start devices for HVAC equipment, etc.); (ii) pre-existing conditions at your home, including but not limited to unpermitted conditions, improper electrical wiring, defects in the roof structure that cause it to sag over time, chimney or exhaust vent heights that are reduced by your Solar System, cracked or crumbling masonry, or inadequate attic ventilation; (iii) normal wear and tear or deterioration, or superficial defects, dents or marks that do not impact the performance or functionality/integrity of your Products; or (iv) theft or vandalism. The warranties for "Solar panels". "Inverter" and "Powerwall" above are not subject to the above exclusions, but are subject to other exclusions which are described in the relevant warranty document.

14. **Limitation of Liability.** We are not liable to you for any indirect, special or consequential damages arising out of this Agreement. To the extent permitted by law, our aggregate liability to you under this Agreement is limited to the Contract Price. These limitations apply to any liability arising out of any site survey performed by us or our affiliate or subcontractor in connection with this Agreement.

15. **Breach; Remedies.** If you are in breach of this Agreement, upon seven (7) days prior written notice, Tesla may pursue any remedy it has under this Agreement or at law, including termination, suspension of performance, repossession of the Products (if title has not yet transferred) and collection of all amounts due (including those past due, which will be charged 2% interest per annum).

16. **Notices.** You can find applicable lien notices, certain warnings required by law, and details of our insurance in Exhibit 2.

17. **Governing Law; Integration.** This Agreement is governed by the laws of the State where your Products are installed. The information at the links described above is part of this Agreement. Any other terms relating to your Products that are not contained or referred to in this Agreement are not binding on us or you.

18. **Agreement to Arbitrate.** Please carefully read this provision, which applies to any dispute between you and Tesla, Inc. and its affiliates (together "Tesla").

If you have a concern or dispute, please send a written notice describing it and your desired resolution to <u>resolutions@tesla.com</u>.

If not resolved within 60 days, you agree that any dispute arising out of or relating to any aspect of the relationship between you and Tesla will not be decided by a judge or jury but instead by a single arbitrator in an arbitration administered by the American Arbitration Association (AAA) under its Consumer Arbitration Rules. This includes claims arising before this Agreement, such as claims related to statements about our products.

We will pay all AAA fees for any arbitration, which will be held in the city or county of your residence. To learn more about the Rules and how to begin an arbitration, you may call any AAA office or go to <u>www.adr.org</u>.

The arbitrator may only resolve disputes between you and Tesla and may not consolidate claims without the consent of all parties. The arbitrator cannot hear class or representative claims or requests for relief on behalf of others purchasing or leasing Tesla products. In other words, you and Tesla may bring claims against the other only in your or its individual capacity and not as a plaintiff or class member in any class or representative action. If a court or arbitrator decides that any part of this agreement to arbitrate cannot be enforced as to a particular claim for relief or remedy (such as injunctive or declaratory relief), then that claim or remedy (and only that claim or remedy) shall be severed and must be brought in court and any other claims must be arbitrated.

If you prefer, you may instead take an individual dispute to small claims court.

You may opt out of arbitration within 30 days after signing this Agreement by sending a letter to: Tesla, Inc.; P.O. Box 15430; Fremont, CA 94539-7970, stating your name, product, and intent to opt out of the arbitration provision. If you do not opt out, this agreement to arbitrate overrides any different arbitration agreement between us, including any arbitration agreement in a lease or finance contract.

Exhibit 1

Cancellation Rights

(TESLA, INC. COPY)

NOTICE OF CANCELLATION STATUTORILY-REQUIRED LANGUAGE Notice of Cancellation

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN DAYS following receipt by the seller (Tesla, Inc.) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (Tesla, Inc.) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (Tesla, Inc.) regarding the return shipment of the goods at the seller's (Tesla, Inc.) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (Tesla, Inc.), or if you agree to return the goods to the seller (Tesla, Inc.) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to Tesla, Inc., Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Agreement.

I,_____, hereby cancel this transaction on_____[Date].

Customer's Signature:

Customer's Signature:

(CUSTOMER COPY) NOTICE OF CANCELLATION STATUTORILY-REQUIRED LANGUAGE Notice of Cancellation

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within THREE BUSINESS DAYS from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within TEN DAYS following receipt by the seller (Tesla, Inc.) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (Tesla, Inc.) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (Tesla, Inc.) regarding the return shipment of the goods at the seller's (Tesla, Inc.'s) expense and risk. If you do make the goods available to the seller (Tesla, Inc.) and the seller (Tesla, Inc.) does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (Tesla, Inc.), or if you agree to return the goods to the seller (Tesla, Inc.) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to Tesla, Inc., Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of the date that is THREE BUSINESS DAYS from the date you signed the Agreement.

_____, hereby cancel this transaction on______[Date].

Customer's Signature:

Ι,

Customer's Signature:

Exhibit 2

NOTICES

Bonds. The owner or tenant has the right to require the contractor to have a performance and payment bond.

Extra Work and Change Orders. Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to commencement of any work covered by the new change order. You may not require a contractor to perform extra or change-order work without providing written authorization prior to the commencement of work covered by the new change order. Extra work or a change order is not enforceable against you unless the change order also identifies all of the following in writing prior to the commencement of work covered by the new change, (ii) the cost to be added or subtracted from the contract; and (iii) the effect the order will have on the schedule of progress payments or the completion date. Notwithstanding this provision, the Contractor shall have the right to substitute System equipment without Customer's agreement, so long as that substitution adds no extra cost to the project and does not materially affect the System's performance. The Contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based on legal or equitable remedies designed to prevent unjust enrichment.

Insurance Tesla carries the following insurance applicable to the work being performed under this Agreement:

- Commercial General Liability Insurance (CGL). Tesla carries commercial general liability insurance with coverage amounts that meet or exceed those required by law.
- Workers' Compensation Insurance. Tesla carries workers' compensation insurance for all employees in compliance with law.

Additional Notices

California

CALIFORNIA CONTRACTOR LICENSING INFORMATION: CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees. For more information:

-Visit CSLB's Internet website at www.cslb.ca.gov -Call CSLB at 800-321-CSLB (2752) -Write CSLB at P.O. Box 26000, Sacramento, CA 95826

MECHANICS' LIEN RELEASES

Upon satisfactory payment for any portion of the work performed, Tesla shall, prior to any further payment, furnish to Customer a full and unconditional release from any potential lien Claimant claim or mechanics' lien pursuant to Sections 8400 and 8404 of the California Civil Code for that portion of the work for which payment has been made.

CALIFORNIA MECHANICS LIEN WARNING:

NOTICE TO PROPERTY OWNER: If bills are not paid in full for the labor, services, equipment, or materials furnished or to be furnished, a mechanic's lien leading to the loss, through court foreclosure proceedings, of all or part of your property being so improved may be placed against the property even though you have paid your contractor in full. You may wish to protect yourself against this consequence by (1) requiring your contractor to furnish a signed release by the person or firm giving you this notice before making payment to your contractor or (2) any other method or device that is appropriate under the circumstances.

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics lien on your property. A mechanics lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a 'Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices. You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's Internet Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752). REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.