

Solar Subscription and 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).

Price Sheet

Tesla entity / Provider Tesla, Inc. of 3500 Deer Creek Road, Palo Alto, CA 94304 888-765-2489 CA CSLB 949283 Installer

Tesla Energy Operations, Inc. of 3500 Deer Creek Road, Palo Alto, CA, 94304

Salesperson Name and License Number

N/A

Energy Products and Contract Price

Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed

Solar System

4.08 kW, 8.16 kW, 12.24 kW, or 16.32 kW DC solar panels

Monthly Subscription Payment

Due to inventory availability, Tesla may increase this system size by up to 10% at no additional cost to you.

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.

Approximate Installation Start Date

7-90 days from the date of this Agreement

Approximate Completion Date

7-90 days from the date of this Agreement

Signed by

Tesla, Inc.

Name: RJ Johnson Title: Senior Director, Energy

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

Solar Subscription & Home Improvement Agreement Tesla, Inc.

\$50.00 for a 4.08 kW System \$100.00 for a 8.16 kW System \$150.00 for a 12.24 kW System \$200.00 for a 16.32 kW System



Solar Subscription and Home Improvement Agreement Terms & Conditions

1. **Introduction.** This Solar Subscription and Home Improvement Agreement is the agreement between you and Tesla for the subscription of a solar energy system (the "System"). You agree to the recurring "<u>Monthly Subscription</u> <u>Payment</u>" detailed in the Price Sheet and may cancel this subscription at any time, subject to the terms of Tesla's Cancellation Policy. This is a legally binding agreement, so please read everything carefully including all of the exhibits.

2. **Eligibility.** You agree to the following:

(a) You are the only title holder of your Home or have the full power and authority to sign this Agreement on behalf of all other title holders to your Home;

(b) You are responsible for any pre-existing conditions at your home that prevent installation of the System (e.g. structural integrity, unpermitted work, condition of the roof). Tesla will not proceed with installation of the System until the condition is remedied;

(c) You will notify Tesla if you think the System is damaged or appears unsafe or if the System is stolen; and

(d) You will make available, at your cost, a functioning and reliable indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and standard AC power outlet close enough and free of interference to enable an internet-connected gateway provided by Tesla to communicate wirelessly with the System's inverter at all times (e.g. you will notify Tesla if there is any disruption or change to your connectivity). Additionally, you agree to maintain an active Tesla Account while the System is installed at your Home.

- 3. **Changes to Subscription Price.** Your Monthly Subscription Payment is subject to change. If your Monthly Subscription Payment is changed, Tesla will provide you with an updated Price Sheet electronically and/or through your Tesla portal. If you do not reject the updated Price Sheet within thirty (30) days and cancel your subscription, your next invoice will reflect the updated pricing.
- 4. **Installation; Service.** We will contact you to schedule installation of your System. 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 System. You also agree to give us, our affiliate or subcontractor access to the installation location identified above (your "Home") as scheduled so we can install and service your System. Unless otherwise provided for in your Price Sheet, gutter replacement is not included in your installation.
- 5. **Automatic Monthly Payments.** By entering into this Agreement, you agree to pay the Monthly Subscription Payment by allowing Tesla to automatically debit your credit card each month until you cancel your subscription. Your Monthly Subscription Payment will be debited from your credit card on the monthly anniversary of the day you received permission to operate. You agree to pay at the beginning of each billing cycle for services to be rendered in that billing cycle. If this falls on a weekend or holiday, your Monthly Subscription Payment may be debited the following business day.

(a) If your payment is unsuccessful for any reason, you agree that Tesla may attempt the debit three (3) more times within three (3) days following the first attempt. If the credit card debit remains unsuccessful after the third attempt, Tesla will consider this your request to cancel your subscription and turn off your service immediately.

6. **Automatic Renewal; Cancellation; Term.** Your subscription will automatically renew for the following month unless you email Tesla to cancel your subscription at <u>energycustomersupport@tesla.com</u> or through your Tesla Account. You may cancel this subscription at any time and your service and corresponding Monthly Subscription Payments will end at the end of your billing cycle. You will not receive any pro-rata refunds.

(a) If you change your mind after cancelling your subscription, you may re-enroll by emailing <u>energycustomersupport@tesla.com</u> or through your Tesla Account. You will be subject to the then-current pricing, which may be higher than your original Monthly Subscription Price.

(b) Tesla reserve the right to cancel service at any time for any reason with thirty (30) days'notice. Solar Subscription & Home Improvement Agreement Tesla, Inc.



- 7. **System Removal.** If the System needs to be removed for any reason, such as your cancellation or for roof repairs, you agree to give Tesla reasonable access to your Home to remove the System at Tesla's convenience and availability. Tesla will perform the System removal work at your cost of \$2,500 upon your request to <u>energycustomersupport@tesla.com</u>. Tesla, or one of our subcontractors, will patch and seal all roof penetrations associated with removal of the System. Tesla shall have no obligation to repair any ordinary wear and tear on the Home, or to provide any replacement parts. If Tesla is unable to remove the racking hardware installed into your roof without damaging the roof, you understand that Tesla will leave the hardware as is. As an alternative, you may choose to have a similarly qualified service provider remove the System from your Home at your expense. If the System is damaged as a result of the removal, you may be responsible for all costs to repair or replace the System. You may not modify or remove the System without written consent from Tesla.
- 8. **Home Owner's Association.** If your home is governed by a home owner's association or similar community organization, you agree to obtain all approvals and authorizations for the System required by that organization and advise us of any requirements of that organization that will otherwise impact the System, its installation or operation.
- 9. **Order Payment**. The Order Payment (if any) paid for your Subscription will become non-refundable upon installation of the System. Once your system receives permission to operate, we will return your Order Payment and charge you the Monthly Subscription Payment.
- 10. **Estimated Taxes.** You agree to pay any applicable sales or use taxes on the Monthly Subscription Payments due under this Agreement. If you choose to purchase the System at any time, you agree to pay any applicable tax on the purchase price for the System.
- 11. **Selling Your Home.** If you sell your Home, you may choose to cancel or transfer this Agreement to the person buying your Home (the "Home Buyer"). If you choose to transfer, the Home Buyer must accept a subscription agreement with Tesla and will assume all of your rights and obligations under this Agreement.
- 12. **Ownership of the System; Tax Credits and Rebates.** You agree that the System is Tesla's personal property under the Uniform Commercial Code. You understand and agree that this is a subscription agreement and not a sale agreement. Tesla owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by Tesla, and shall at your expense protect and defend Tesla against the same.

(a) You agree all tax credits, incentives, rebates, and certificates are the property of Tesla. You agree to cooperate with Tesla so that we may claim these credits, incentives, rebates and certificates, which may include signing any net metering or interconnection agreements and maintaining a valid internet connection.

- 13. **Purchasing the System.** You may purchase the System at any time for the fair market value, which considers then current prices and the System's age and degradation. Tesla will provide you with a purchase price, which may include any past-due payments (if applicable), upon your request to <u>energycustomersupport@tesla.com</u>.
- 14. **UCC-1 Fixture Filing.** Tesla may choose to file in the real estate records a UCC-1 financing statement ("Fixture Filing") that preserves their rights in the System for as long as the System is installed on your Home. The Fixture Filing is intended only to give notice of its rights relating to the System and is not a lien or encumbrance against the Property.
- 15. **Transfer.** Tesla may assign, sell or transfer the System and this subscription agreement, or any part of this subscription agreement or the exhibits, without your consent.
- 16. **Privacy.** The Tesla Customer Privacy Policy is part of this Agreement. You agree to be contacted at the phone number that you provide us 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 this Agreement. You may opt out of this consent at any time by contacting us at 888-765-2489.
- 17. **Intellectual Property.** We own all intellectual property rights associated with the System. We grant you a nonexclusive license to use any imbedded software in connection with the operation of the System only.
- 18. **Solar System Maintenance & Operation.** Tesla will provide you with an initial copy of the <u>Solar Operation and</u> <u>Maintenance Guide</u> (which may be updated from time to time, the "Manual"). The Manual provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information. You must maintain and operate the System in accordance with the instructions in the Manual. If we



install a safety anchor in your roof during the installation of the System, we will leave this anchor installed for our future use throughout the installation and operation of the System. This safety anchor is for our use only. You are not authorized to use this anchor.

- 19. **Insurance.** Tesla shall insure the System against all damage or loss unless (a) that damage or loss is caused by your gross negligence; or (b) that damage or loss is caused by ball strikes; or (c) you intentionally damage the System.
- 20. **Indemnity.** To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless Tesla, its employees, officers, directors, agents, successors and assigns from any and all third party claims, actions, costs, expenses (including reasonable attorneys' fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence or willful misconduct; provided, that nothing herein shall require you to indemnify Tesla for its own negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this subscription agreement.
- 21. **Insurance.** Tesla shall insure the System against all damage or loss unless (a) that damage or loss is caused by your gross negligence; or (b) that damage or loss is caused by ball strikes; or (c) you intentionally damage the System.

22. Limitation of Liability.

(a) 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 fair market value of the System ("FMV"). 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.

(b) The Limited Warranties in Section 22 do not apply to any breach by Tesla directly or indirectly caused by or resulting from any of the following: (i) abuse, misuse or negligence, (ii) accidents or other events beyond Tesla's (or its affiliates', subcontractors' or representatives') reasonable control, including but not limited to lightning, flood, earthquake, fire, excessive wind and other extreme weather events; (iii) failure to operate or maintain the Solar System in accordance with the Manual; (iv) strikes by balls or other objects, dirt, dust, bird excrement, animals, insects, foliage or algae growth; (v) water entering around a fitting, accessory or other material not supplied by Tesla; (vi) any material or equipment not supplied by Tesla that the Solar System may be connected to; (vii) someone other than Tesla installing, removing, re-installing or repairing the Solar System (including, but not limited to, damaging the Solar System during such work) unless that party does so in compliance with the Manual; or (viii) any Solar System failure or lost or diminished performance that results from your actions or omissions that are not in compliance with the Limited Warranties.

(c) The Limited Warranties in Section 22 do not cover (a) conditions at your Home not caused by our breach, 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; (b) normal wear and tear or deterioration, or superficial defects, dents or marks that do not impact the performance or functionality/integrity of your Solar System; (c) damage or deterioration that occurs after the expiration or voiding of all or part of the Limited Warranties; or (d) theft or vandalism of your Solar System or any of its components.

23. Limited Warranties. Your System and installation work are covered by the following limited warranties. THESE ARE THE ONLY EXPRESS WARRANTIES MADE IN CONNECTION WITH THE SYSTEM AND INSTALLATION WORK. Any other warranties, remedies and conditions, whether oral, written, statutory, express or implied (including any warranties of System performance or 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.

System	Under normal use and service conditions, the System will be free from defects in workmanship or
	defects in, or a breakdown of, materials or components for the length of your subscription. This
	warranty is voided for any time that the subscription is not active.



Roof	All roof penetrations we make for your System will be watertight. This warranty will run the longer of (a) the first ten (10) years following installation of the System or (b) the length of any existing installation warranty or new home builder performance standard for your roof. This warranty is voided for any time that the subscription is not active.
Damage	We will repair damage we cause to your Home, your belongings or your property or pay you for the damage we cause, as limited by Section 22, for the length of your subscription (except damages that result from our roof penetrations, which damages are covered for the first ten (10) years.)This warranty is voided for any time that the subscription is not active.

24. **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 or maintenance, repossession of the System (if title has not yet transferred) and collection of all amounts due (including those past due, which will be charged 2% interest per annum).

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

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

27. **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.'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 to Tesla, Inc., Document Receiving, 6569 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NO 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:

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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 to Tesla, Inc., Document Receiving, 6569 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NO 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:



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

Arizona

ARIZONA CONTRACTOR LICENSING INFORMATION: PURSUANT TO ARIZONA REVISED STATUTES ("A.R.S.") § 32-1158 (B)(9), YOU ARE HEREBY NOTIFIED THAT YOU HAVE THE RIGHT TO FILE A WRITTEN COMPLAINT WITH THE REGISTRAR OF CONTRACTORS FOR AN ALLEGED VIOLATION OF A.R.S. § 32-1154, SUBSECTION A. ANY COMPLAINT MUST BE FILED WITHIN THE TIMEFRAMES DESCRIBED IN A.R.S. § 32-1155, SUBSECTION A. THE REGISTRAR OF CONTRACTORS CAN BE CONTACTED AT:

Arizona Registrar of Contractors MAIN OFFICE 3838 N. Central Ave., Ste. 400 Phoenix, AZ 85012-1946 (602) 542-1525 or toll free within Arizona: 1-877-MY AZROC (1-877-692-9762) TDD (602) 542-1588 Visit their Internet site at: <u>www.azroc.gov</u>

ARIZONA NOTICE TO BUYERS:

1. Do not sign this agreement if any of the spaces intended for the agreed terms to the extent of then available information are left blank.

2. You are entitled to a copy of this agreement at the time you sign it.

3. You may pay off the full unpaid balance due under this agreement at any time, and in so doing you shall be entitled to a full rebate of the unearned finance and insurance charges.

4. You may cancel this agreement any time prior to midnight of the third business day after the date of this transaction. See the attached notice of cancellation form on **Exhibit 1** for an explanation of this right.

5. It shall not be legal for the seller to enter your premises unlawfully or commit any breach of the peace to repossess goods purchased under this agreement.

6. Utility rates and utility rate structures are subject to changes. These changes cannot be accurately predicted. Projected savings from your distributed energy generation system are therefore subject to change. Tax incentives are subject to change or termination by executive, legislative or regulatory action.

I acknowledge that I have read item 6: Customer's initials:

7. Tesla certifies that it complies with the warranty requirements contained in AZ Rev. Stat. § 44-1762.

ARIZONA PRELIMINARY LIEN NOTICE:

In accordance with Arizona Revised Statutes section 33-992.01, this is not a lien and this is not a reflection on the integrity of any contractor or subcontractor.

Notice to Property Owner: If bills are not paid in full for the labor, professional services, materials, machinery, fixtures or tools 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 improved may be placed against the property. You may wish to protect yourself against this consequence by either:

1. Requiring your contractor to furnish a conditional waiver and release pursuant to Arizona Revised Statutes section 33-1008, subsection D, paragraphs 1 and 3 signed by the person or firm giving you this notice before you make payment to your contractor.

2. Requiring your contractor to furnish an unconditional waiver and release pursuant to Arizona Revised Statutes section 33-1008, subsection D, paragraphs 2 and 4 signed by the person or firm giving you this notice after you make payment to your contractor.

3. Using any other method or device which is appropriate under the circumstances.