



Provider	Provider: Tesla, Inc. Address: 3500 Deer Creek Road, Palo Alto, CA 94304 Tel.: 888-518-3752 Email: customercare@tesla.com
Customer Information and Distribution Utility	Customer: John Smith System Installation Address: 7434 A Post Road, Colonie, NY 12205 Customer Mailing Address: 7434 A Post Road, Colonie, NY 12205 Email: 54393email@gmail1.com Electric Utility: National Grid (Niagara Mohawk)
Overview	<p>This document describes your Solar Lease. In the event that the terms in this statement conflict with terms appearing elsewhere in your contract, the terms in this statement are controlling. Read this document and the contract carefully so that you fully understand this agreement.</p> <p>You are entering into an agreement to lease a solar system. You will not own the solar system installed on your property.</p>
Price, Fees, and Charges	<p>Amount and Term Your monthly payment during the first year of the lease will be: \$28.76</p> <p>Amount Due Up-Front Amount you owe Lessor at solar lease signing: \$0.00 Amount you owe Provider at installation: \$0.00 Amount you owe Provider at building inspection: \$0.00 Total up-front payments you owe Provider: \$0.00</p> <p>Total Estimated Lease Payments Total of all your monthly payments and estimated taxes over the course of the lease: \$9,178.20 Your estimated total lease payments excluding taxes are \$9,178.20 Your estimated total tax payments are \$0.00 based on estimated average monthly tax payment of \$0.00 Incentives Included in Your Estimated Lease Payments: None</p> <p>Other Possible Charges Late Charge: Late Payments accrue interest at the lesser of twelve percent (12%) annually or the maximum allowable by applicable law Estimated System Removal Fee: Lessor will remove the System from your roof while roof repairs are being made and reinstall for a competitive price. UCC Notice Removal and Re-filing Fee: If you refinance your mortgage, you will not have to pay to have the UCC-1 financing statement or fixture filing removed. Non-Connection to Internet: If you do not maintain a high-speed internet connection, we will not be able to monitor the System and provide you with the Power Production Guarantee or provide PowerGuide, and you will be required to provide Tesla with annual production information from your inverter. Automatic Bank Withdrawals (ACH): You will receive a discount of \$7.50 if using automatic bank withdrawals. The monthly payments listed above reflect this discount.</p> <p>Number of Lease Payments 240 monthly payments</p> <p>When Payments Are Due Your first Monthly Payment is due on the first day of the first full calendar month following the Interconnection Date. Lessor will provide you with: Electronic Invoices (sent to your email address above)</p> <p>Lease Payment Escalator The amount of your solar lease payment will increase: Annually Your solar lease payment amount will increase by the following amount 2.90% The first increase will occur with your 13th payment.</p>



Installation	<p>System location: rooftop Approximate Start Date: 60-120 days from the date the Agreement is signed. Approximate Completion Date: 60-120 days from the date of the Agreement is signed. PROVIDER is responsible for submitting a System interconnection application. Installer: Tesla Energy Operations, Inc. Address: 6800 Dumbarton Circle, Fremont, CA 94555 Tel.: 888-765-2489 Email: customercare@tesla.com</p>
System Size and Generation	<p>System Size: 4.25 kW DC Estimated gross annual electricity production in kilowatt-hours (kWh) from your System in Year 1: 3,196 kWh Estimated annual electricity production decrease due to natural aging of the System: 0.5% Estimated System Lifetime: 30 years</p>
Maintenance and Repairs	<p>System maintenance IS included for the term of the lease from Provider. You are required to perform the following system maintenance:</p> <ul style="list-style-type: none"> • Shade Management: Shading on your solar display dramatically reduces electricity production. Keep trees or other tall plants trimmed to prevent shade on your system. • Panel Cleaning: Cleaning your panels of debris can improve your system performance. Flushing the panels from the ground with a water hose can let more sunlight penetrate through the glass cover. <p>System repairs ARE included for the term of the lease from Provider or a third party (such as an installer or equipment manufacturer). If all system repairs are not included, you are required to perform the following system repairs: NONE Warranty is included with the contract for the full term. Maintenance/Repair Provider: Tesla Energy Operations, Inc. Address: 6800 Dumbarton Circle, Fremont, CA 94555 Tel.: 888-765-2489 Email: customercare@tesla.com</p>
Roof Warranty	<p>Your roof IS warranted against leaks from the system installation for the first 10 years. Your roof IS warranted against leaks caused by removal of the system for a period of 1 year(s) following system removal at the end of the Lease. Any portions of your roof impacted by the system WILL be substantially returned to their original condition following the removal of the system (ordinary wear and tear excepted)</p>
Length of Agreement and End of Contract Term	<p>The length of your solar lease is: 20 Years End of Contract Term Options</p> <ul style="list-style-type: none"> • If you are not in default under this Lease, you will have an option to purchase the System at the end of the Lease Term for \$5,572.60. • Tesla will remove the System at no additional cost to you. • You can upgrade to a new System with the latest solar technology under a new contract. • You may renew your Agreement for up to ten (10) years in two (2) five (5) year increments. <p>Otherwise, the Agreement will automatically renew for an additional one (1) year term at 10% less than the then-current average rate charges by your local utility.</p>
Early Termination and Selling Your Property	<p>Early Termination You have no early termination rights after the installation of your system.</p> <p>Selling Your Property If you sell your home, you MAY transfer this solar lease to the purchaser(s) of your home. If you may transfer the lease, the transfer will be subject to one or more of the following conditions:</p> <ul style="list-style-type: none"> • Credit check on the purchaser(s) <ul style="list-style-type: none"> ○ The Home Buyer meets Tesla's credit criteria ○ The Home Buyer is paying cash for your Home; or ○ If the Home Buyer does not qualify under (1) or (2), <ul style="list-style-type: none"> ▪ The Home Buyer qualifies for a mortgage to purchase your Home and either





	<ul style="list-style-type: none">▪ You or the Home Buyer pays us a \$250 credit exception fee.• Assumption of contract by purchaser(s) <p>If you sell your home, you may be permitted to move the solar system to a new home. See terms in your contract.</p> <p>You may prepay some or all of the lease balance as part of a transfer.</p>
Estimated Benefits	The rate at which you, the customer, are compensated for any electricity sold to the utility is determined by the NY Public Service Commission. It's currently a kWh bill credit for excess energy you generate valued at the same rate the utility charges for energy delivered to you. The rate is not guaranteed by Tesla.
Guarantees	<p>This contract does not guarantee savings.</p> <p>Lessor is providing you with a:</p> <ul style="list-style-type: none">• Performance guarantee• System production guarantee <p>Underproduction or underperformance will be remedied as follows: Tesla will repair or replace any defective part and restore System performance. If at the end of each successive 12 month anniversary of your first monthly payment the cumulative Actual kWh generated by the System is less than 95% of the estimated kWh, then we will send you a refund check equal to the difference between the cumulative Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy Price per kWh.</p>
Data Sharing and Privacy Policy	The following data may be requested of your electric utility account data: annual consumption history, account/meter numbers, rate plan, and any other relevant information required to complete the interconnection process . This data authorization is valid for 6 months.
Right to Cancel Without Penalty	Provider's Data Privacy Policy: www.tesla.com/legal
	You have the right to terminate the contract without penalty within three business days after signing the contract by notifying Provider via phone at 1-888-765-2489, via email at customercare@tesla.com , or via mail at 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119.
Customer Rights	If you have inquiries or complaints that the Provider is unable to resolve, you have the right to call the Department of Public Service Helpline at 1-800-342-3377. You may file a complaint on the Helpline or by following the instructions at http://www.dps.ny.gov/complaints.html .
Other Important Terms	Provider WILL NOT take a security interest in your real property by terms of the lease (e.g. a lien on your home)
	Provider WILL file a fixture filing or a UCC-1 on the system (a public filing informing others that Provider owns the system, but does not put a lien on your home)
Preparer Name and Contact Information	Colleen Mooney Tel.: 888-765-2489 Email: customercare@tesla.com

Tesla Approved

Sanjay Shah
SVP, Energy Operations

Signature of Provider Representative:

Date: 3/12/2019

Signature of Customer: _____

Date: _____





Customer Information
John Smith

**7434 A Post Road
Colonie, NY 12205
5551112222**

Salesperson
Colleen Mooney

Registration/License Number:
**3 Sam Stratton Rd
Amsterdam, NY 12010**

Installation Location
**7434 A Post Road
Colonie, NY 12205**

Installer License
Tesla Energy Operations, Inc.
NY, ALBANY, 439

Here are the key terms of your SolarLease Agreement

\$0

**Amount due at
contract signing**

\$28.76

First year monthly payment
(Est. Price per kWh First Year: \$0.1080)

Initial here _____

2.90%

Annual Escalator

Initial here _____

20yrs

Agreement Term

Initial here _____

The Tesla Promise

- We provide a money-back energy performance guarantee.
- We guarantee that if you sell your Home, the buyer will qualify to assume your Agreement.....Initial here _____
- We warrant all of our roofing work.
- We restore your roof at the end of the Agreement.
- We warrant, insure and repair the System.Initial here _____
- We fix or pay for any damage we may cause to your property.
- We provide 24/7 web-enabled monitoring at no additional cost.
- The pricing in this Agreement is valid for 30 days after 3/12/2019.

Your Tesla Lease Agreement Details

Amount due at contract signing
\$0

Est. amount due at installation
\$0

Est. amount due at building
inspection
\$0

Est. first year production
3,196 kWh

Your Choices at the End of the Initial Term:

- Tesla will remove the System at no additional cost to you.
- You can upgrade to a new System with the latest solar technology under a new contract.
- You may renew your Agreement for up to ten (10) years in two (2) five (5) year increments.
- Otherwise, the Agreement will automatically renew for an additional one (1) year term at 10% less than the then-current average rate charges by your local utility.

Your Prepayment Choices During the Term:

- If you move, you may prepay the remaining payments (if any) at a discount.

Your Purchase Choices at the End of the Initial Term:

- You may purchase the System for the amount set forth in Section 4(E) of the Agreement.



1. INTRODUCTION

This SolarLease® (this “Lease” or “Agreement”) is the agreement between you and Tesla, Inc. (together with its successors and assigns, “Tesla” or “we”), covering the lease to you of the solar panel system (the “System”) described below. The System will be installed by Tesla at the address you listed above. This Lease will refer to this address as the “Property” or your “Home.” This Lease is up to thirteen (13) pages long and has up to three (3) Exhibits depending on the state where you live. This Lease has disclosures required by the Federal Consumer Leasing Act and, where applicable, state law. Tesla provides you with a Performance Guarantee and Limited Warranty (the “Limited Warranty”). The Limited Warranty is attached as **Exhibit 2**. Tesla will also provide you with a System user manual entitled “Solar Operation and Maintenance Guide” (the “Guide”), that contains important operation, maintenance and service information. This is a legally binding agreement, so please read everything carefully including all of the exhibits. If you do not meet your contract obligations under this Lease, you may lose your rights to the System. If you have any questions regarding this Lease, please ask your Tesla sales consultant.

THIS AGREEMENT SUPERSEDES ALL PRIOR EXISTING CONTRACTS BETWEEN YOU AND TESLA THAT PERTAIN TO THE “SYSTEM” DEFINED IN THIS AGREEMENT.

2. LEASE TERM

Tesla agrees to lease you the System for **20** years (240 full calendar months), plus, if the Interconnection Date is not on the first day of a calendar month, the number of days left in that partial calendar month, including the Interconnection Date. We refer to this period of time as the “Lease Term.” The Lease Term begins on the Interconnection Date. The Interconnection Date is the date that the System is turned on and generating power. Tesla will notify you by email when your System is ready to be turned on.

3. SYSTEM DESCRIPTION

Lease and installation of a 4.25 kW DC photovoltaic system consisting of PV modules, corresponding inverter(s) and a mounting system designed for installation and operation at your Home.

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4. LEASE PAYMENTS; AMOUNTS

A. Amounts Due at Lease Signing, Installation and Building Inspection:

Payments Due at Signing:

Amount Due at Lease Signing: \$0.00

Delivery/Installation Fee: \$0.00

Total Due at Lease Signing \$0.00

Payments Due at Installation: \$0.00

Total Due at Installation: \$0.00

B. Monthly Payments:

Your first monthly payment is \$28.76, followed by 11 monthly payments of \$28.76 each, followed by 12 monthly payments of \$29.59 each, followed by 12 monthly payments of \$30.45 each, followed by 12 monthly payments of \$31.33 each, followed by 12 monthly payments of \$32.24 each, followed by 12 monthly payments of \$33.17 each, followed by 12 monthly payments of \$34.13 each, followed by 12 monthly payments of \$35.12 each, followed by 12 monthly payments of \$36.14 each, followed by 12 monthly payments of \$37.19 each, followed by 12 monthly payments of \$38.27 each, followed by 12 monthly payments of \$39.38 each, followed by 12 monthly payments of \$40.52 each, followed by 12 monthly payments of \$41.70 each, followed by 12 monthly payments of \$42.91 each, followed by 12 monthly payments of \$44.15 each, followed by 12 monthly payments of \$45.43 each, followed by 12 monthly payments of \$46.75 each, followed by 12 monthly payments of \$48.11 each, followed by 12 monthly payments of \$49.51 each.

Your total lease payments, excluding tax, are **\$9,178.20**.
Your estimated average monthly tax payments are \$0.00.

Your first Monthly Payment is due on the first day of the first full calendar month following the Interconnection Date. After your first Monthly Payment, future Monthly Payments (and any applicable taxes) are due on the first day of the calendar month.



C. Other Charges:

If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed above reflect this discount. If you do not allow the automatic debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater.

D. Total of Payments (A+B+C) = \$9,178.20

This is the total amount you will have paid by the end of this Lease by making 240 payments in total. It includes the Monthly Payments stated above and estimated taxes of \$0.

E. Purchase Option At End of Lease Term:

If you are not in default under this Lease, you will have an option to purchase the System at the end of the Lease Term for \$5,572.60.

F. Other Important Terms:

See Section 2 above for additional information on the Lease Term and also see below for additional information on termination, purchase options, renewal options, maintenance responsibilities, warranties, late and default charges and prohibition on assignment without Tesla's consent. Payments due upon installation are due immediately prior to commencement of installation.

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5. 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 resolutions@tesla.com.

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 www.adr.org.

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.

You agree to:

- (i) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;
- (ii) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when Tesla installed it;
- (iii) keep the panels clean, pursuant to the Limited Warranty and the Guide;
- (iv) not modify your Home in a way that shades the System;
- (v) be responsible for any conditions at your Home that affect the installation (e.g. blocking access to the roof or removing a tree that is in the way, prior work you have done on your home that was not permitted);
- (vi) not remove any markings or identification tags on the System;
- (vii) permit Tesla, after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
- (viii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- (ix) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;
- (x) notify Tesla if you think the System is damaged or appears unsafe; if the System is stolen; and prior to changing your power supplier;
- (xi) have anyone who has an ownership interest in your Home sign this Lease;
- (xii) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
- (xiii) maintain and make available, at your cost, a functioning indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and

6. LEASE OBLIGATIONS

(a) System, Home and Property Maintenance



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 (typically this is 80 feet, but may depend on site conditions). See Section 2(c)(ii) of the Limited Warranty for details; and

- (xiv) if your home is governed by a home owner's association or similar community organization, 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.

(b) System Construction, Repair, Insurance and Tesla's obligations:

Tesla agrees to:

- (i) schedule the installation of the System at a mutually convenient date and time;
- (ii) construct the System according to written plans you review;
- (iii) provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;
- (iv) notify you if the System design has to be materially changed so that you can review any such changes;
- (v) clean up after ourselves during the construction of the System;
- (vi) insure our actions, covering damages to your property caused by faulty installation, System malfunction or manufacturing defects;
- (vii) not be a loss payee (or named insured) on the insurance policy covering your Home;
- (viii) repair the System pursuant to the Limited Warranty and reasonably cooperate with you when scheduling repairs;
- (ix) create a priority stream of operation and maintenance payments to provide enough cash flow in our financing transactions to

pay for the Limited Warranty obligations and the repair and maintenance of the System in accordance with this Lease even if Tesla ceases to operate; and

- (x) not put a lien on your Home or Property.

(c) Home Renovations or Repairs

If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only remove and replace the System pursuant to the Limited Warranty.

(d) Automatic Payment; Fees; Late Charges

In addition to the other amounts you agree to pay in this Lease, you agree to pay the following:

- (i) Automatic Payment Discount: If you make your Monthly Payments by allowing us to automatically debit your checking or savings account, then you will receive a discount of \$7.50 on your Monthly Payments. The Monthly Payments listed in Section 4 of this Agreement reflect this discount. If you do not allow the automatic debit, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$7.50 greater. Please contact our Customer Care team (888-765-2489) if you wish to set up automatic debits from your checking or savings account to make your Monthly Payments;

I acknowledge I have read Section 6(d)(i)
Customer's initials: _____

- (ii) Returned Check Fee: \$25 (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and
- (iii) Late payments: accrue interest at twelve percent (12%) annually or the maximum allowable by applicable law.

(e) Insurance

Tesla shall insure the System against all damage or loss unless (i) that damage or loss is caused by your gross negligence; or (ii) that damage or loss



is caused by ball strikes; or (iii) you intentionally damage the System.

(f) Estimated Taxes

You agree to pay any applicable sales or use taxes on the Monthly Payments due under this Lease. If this Lease contains a purchase option at the end of the Lease Term, you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable property taxes on the System that your local jurisdiction may levy. The total estimated amount you will pay for taxes over the Lease Term is **\$0**.

(g) No Alterations

You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without Tesla's prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be Tesla's property.

(h) Access to the System

(i) You grant to Tesla and its employees, agents and contractors the right to reasonably access all of the Property as necessary for the purposes of (A) installing, constructing, operating, owning, repairing, removing and replacing the System or making any additions to the System or installing complementary technologies on or about the location of the System; (B) enforcing Tesla's rights as to this Lease and the System; (C) installing, using and maintaining electric lines, inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or (D) taking any other action reasonably necessary in connection with the construction, installation, operation, maintenance, removal or repair of the System. This access right shall continue for up to ninety (90) days after this Lease expires to provide Tesla with time to

remove the System at the end of the Lease Term. Tesla shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.

(ii) During the time that Tesla has access rights you shall ensure that its access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. You agree that the System is not a fixture, but Tesla has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System.

(i) 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 Lease.

(j) Monthly Payments

The Monthly Payments section (Section 4(B)) describes your monthly payment obligations under this Lease. YOU AGREE THAT THIS IS A NET LEASE AND THE OBLIGATION TO PAY ALL MONTHLY PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE AND CONTINUE TO BE PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS



AND ESTATE AND, EXCEPT AS SET FORTH BELOW IN SECTIONS 7, 24, 25, AND ON THE ATTACHED EXHIBIT YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS LEASE, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

- (k) You authorize Tesla, or its designee, to obtain your credit report now and in the future, check your credit and employment history, answer questions others may ask regarding your credit and share your credit information with Tesla's financing partners. You certify that all information you provide to us in connection with checking your credit will be true and understand that this information must be updated upon request if your financial condition changes.

7. CONDITIONS PRIOR TO INSTALLATION OF THE SYSTEM

(a) Tesla's Obligation to Install and Lease

Tesla's obligations to install and lease the System are conditioned on the following items having been completed to its reasonable satisfaction:

- (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
- (ii) approval of this Lease by Tesla's financing partner(s);
- (iii) your meeting Tesla's credit criteria;
- (iv) confirmation of rebate, tax credit and renewable energy credit payment availability in the amount used to calculate the Monthly Payment amounts set forth in this Lease;
- (v) confirmation that Tesla will obtain all applicable benefits referred to in Section 10;
- (vi) receipt of all necessary zoning, land use and building permits; and
- (vii) completion of any renovations, improvements or changes reasonably required at your Home or on the Property (e.g. removal of a tree or roof repairs necessary to enable Tesla to safely install the System); and
- (viii) if your home is governed by a home owner's association or similar community organization, your receipt of all approvals and authorizations for the System required by that organization and advising us of any requirements of that organization that will otherwise impact the System, its installation or operation.

Tesla may terminate this Lease without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vi) will not be satisfied for reasons beyond its reasonable control. Once Tesla starts installation, however, it may not terminate this Lease for the failure to satisfy conditions (i) through (vi) above.

(b) Amendments, Your Right to Terminate for Material Changes.

Both parties will have the right to terminate this Lease, without penalty or fee, if Tesla determines after the engineering site audit of your Home that it has misestimated by more than ten percent (10%) any of (i) the System size, (ii) the System's total cost or (iii) the System's annual production. Such termination right will expire at the **earlier** of (A) one (1) week prior to the scheduled System installation date and (B) sixty (60) days after we inform you in writing of the revised size, cost or production estimate. If you do not terminate this Lease or return the written amendment described below within this time period, then this Lease will automatically terminate and we will charge you a \$250 cancellation fee. Changes of more than 10% in the System size, total cost or annual production will be documented in an amendment to this Lease. You authorize Tesla to make corrections to the utility paperwork to conform to this Lease or any amendments to this Lease we both sign.



8. WARRANTY

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS **EXHIBIT 2**, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

9. TRANSFER

Tesla works with banks, large companies and other significant financing partners to finance your System. As a result, Tesla will assign this Lease to one of its financing partners. Tesla may assign, sell or transfer the System and this Lease, or any part of this Lease or the exhibits, without your consent. Assignment, sale or transfer generally means that Tesla would transfer certain of its rights and certain of its obligations under this Lease to another party. This assignment does not change Tesla's obligation to maintain and repair your System as set forth in the Limited Warranty.

10. 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 lease 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.

YOU UNDERSTAND AND AGREE THAT ANY AND ALL TAX CREDITS, INCENTIVES, RENEWABLE ENERGY CREDITS, GREEN TAGS, CARBON OFFSET CREDITS, UTILITY REBATES OR ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE THE PROPERTY OF AND FOR THE BENEFIT OF TESLA, USABLE AT ITS SOLE DISCRETION. TESLA SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL

SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE. YOU AGREE TO REFRAIN FROM ENTERING INTO ANY AGREEMENT WITH YOUR UTILITY THAT WOULD ENTITLE YOUR UTILITY TO CLAIM ANY SUCH BENEFITS. YOU AGREE TO REASONABLY COOPERATE WITH TESLA SO THAT IT MAY CLAIM ANY TAX CREDITS, RENEWABLE ENERGY CREDITS, REBATES, CARBON OFFSET CREDITS OR ANY OTHER BENEFITS FROM THE SYSTEM. THIS MAY INCLUDE, TO THE EXTENT ALLOWABLE BY LAW, ENTERING INTO NET METERING AGREEMENTS, INTERCONNECTION AGREEMENTS, AND FILING RENEWABLE ENERGY/CARBON OFFSET CREDIT REGISTRATIONS AND/OR APPLICATIONS FOR REBATES FROM THE FEDERAL, STATE OR LOCAL GOVERNMENT OR A LOCAL UTILITY AND GIVING THESE TAX CREDITS, RENEWABLE ENERGY/CARBON CREDITS, REBATES OR OTHER BENEFITS TO TESLA.

11. PURCHASING THE SYSTEM PRIOR TO THE END OF THE LEASE TERM

If you are not in default under this Lease, you will have an option to purchase the System at the end of the Lease Term for \$5,572.60.

12. RENEWAL

If you are in compliance with your Lease, you have the option to renew your Lease for up to ten (10) years in two (2) five (5) year renewal periods. We will send you renewal forms three (3) months prior to the expiration of the Lease Term, which forms shall set forth the new Monthly Payments due under the renewed Lease, based on our assessment of the then current fair market value of the System. If you want to renew, complete the renewal forms and return them to us at least one (1) month prior to the expiration of the Lease Term. In the event that you respond that you do not agree to the new Monthly Payments, the Lease shall expire by its terms on the termination date. If you don't send us anything in writing after we send you the renewal forms, then this Lease shall renew for an additional one (1) year term at ten percent (10%) less than the then-current average rate charged by your local utility and shall



continue to renew for one (1) year terms at that same rate until (i) you give us notice at least thirty (30) days prior to a renewal term that you do not wish to renew; or (ii) we send you a notice terminating the Lease.

13. SELLING YOUR HOME

(a) If you sell your Home you can:

(i) Transfer this Lease and the Monthly Payments.

The person buying your Home (the “Home Buyer”) can sign a transfer agreement assuming all of your rights and obligations under this Agreement by qualifying in one of three ways:

- 1) The Home Buyer meets Tesla’s credit criteria;
- 2) The Home Buyer is paying cash for your Home; or
- 3) If the Home Buyer does not qualify under (1) or (2), the Home Buyer qualifies for a mortgage to purchase your Home and either you or the Home Buyer pays us a \$250 credit exception fee.

(ii) Move the System to Your New Home.

If you are moving to a new home in the same utility district, then where permitted by the local utility, the System can be moved to your new home pursuant to the Limited Warranty. You will need to pay all costs associated with relocating the System, execute and provide the same access and ownership rights as provided for in this Lease and provide any third party consents or releases required by Tesla in connection with the substitute premises.

(iii) Prepay this Lease and Transfer only the Use of the System.

At any time during the Lease Term, if the person buying your home does not meet Tesla’s credit requirements, but still wants the System, then you can (A) prepay the payments remaining on the Lease (See Section 17(i)(i) and (ii)), (B) add the cost of the Lease to the price of your home; and (C) have the person buying your Home sign a

transfer agreement to assume your rights and non-Monthly Payment obligations under this Lease. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this Lease.

- (b) You agree to give Tesla at least fifteen (15) days but not more than three (3) months’ prior written notice if you want someone to assume your Lease obligations. In connection with this assumption, you, your approved buyer and Tesla shall execute a written transfer of this Lease. Unless we have released you from your obligations in writing, you are still responsible for performing under this Lease. If your buyer defaults on this Lease and we have not yet signed the transfer agreement, you will be responsible for their default. We will release you from your obligations under this Lease in writing once we have a signed transfer agreement with the person buying your Home (provided such person has been approved as a transferee by Tesla in writing).
- (c) If you sell your Home and can’t comply with any of the options in subsection (a) above, you will be in default under this Lease. Section 13(a) includes a Home sale by your estate or heirs.
- (d) Free Assumability. This agreement is free of any restrictions that would prevent the homeowner from freely transferring their Property. In the event of a foreclosure on the Property, your lender has the right (but not the obligation) to do ONE of the following:
- (i) terminate this Agreement and require Tesla to remove the System subject to your obligations under Sections 16 and 17;
 - (ii) become a beneficiary (but not obligor) of your Agreement free of charge (i.e., receive power from the System and enforce the Limited Warranty but not have the obligation to make payment, which obligation will remain with you – if you don’t make timely payment you will be in default under Section 16 and Tesla can terminate, remove the System and take all other remedies it has under Section 17);



- (iii) enter into a new Agreement with Tesla on terms no less favorable than the current Agreement; or
- (iv) require transfer of the Agreement under Section 13 to a subsequent purchaser of the Property.

Tesla will not prohibit the sale, conveyance or refinancing of the Property. Tesla may choose to file in the real estate records a UCC-1 financing statement ("Fixture Filing") that preserves their rights in the System. 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. Tesla shall explain the Fixture Filing to any subsequent purchasers of the Property and any related lenders as requested. Tesla shall also accommodate reasonable requests from lenders or title companies to facilitate a purchase, financing or refinancing of the Property.

- (e) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT SUBLEASE, ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SYSTEM OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

14. LOSS OR DAMAGE

- (a) Unless you are grossly negligent, you intentionally damage the System, or damage or loss to the System is caused by ball strikes, Tesla will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System. Except as expressly provided in this Lease, no loss, damage, theft or destruction will excuse you from your obligations under this Lease, including Monthly Payments.
- (b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in default of this Lease, you shall continue to timely make all Monthly Payments and pay all other amounts due under the Lease and, cooperate with Tesla, at Tesla's sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

15. LIMITATION OF LIABILITY

(a) No Consequential Damages

EACH PARTY'S LIABILITY TO THE OTHER UNDER THIS LEASE SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES. FOR PURPOSES OF THIS SECTION 15, YOU AGREE THAT ANY REMEDIES SPECIFICALLY PROVIDED FOR IN THIS AGREEMENT CONSTITUTE DIRECT, ACTUAL DAMAGES.

(b) Actual Damages

Except for claims under Section 6(i), neither party's liability to the other will exceed an amount equal to the maximum amount that could be payable by you under Section 17(i). Damages to your Home, belongings or property resulting from the installation or operation of the System are covered in Section 6(c) of the Limited Warranty.

16. DEFAULT

You will be in default under this Lease if any one of the following occurs:

- (a) you fail to make any payment when it is due and such failure continues for a period of ten (10) days;
- (b) you fail to perform any material obligation that you have undertaken in this Lease (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of fourteen (14) days after written notice;
- (c) you or your guarantor have provided any false or misleading financial or other information to obtain this Lease;
- (d) you assign, transfer, encumber, sublet or sell this Lease or any part of the System without Tesla's prior written consent; or
- (e) you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it



a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent or undertakes or experiences any substantially similar activity.

17. REMEDIES IN CASE OF DEFAULT

If this Lease is in default (including if you cancel this Lease after we commence construction (i.e., any work for the System) at your home) we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions. We may, to the fullest extent permitted by law:

- (a) terminate this Lease and your rights to possess and use the System;
- (b) suspend our performance under this Lease;
- (c) take any reasonable action to correct your default or to prevent our loss (including charging you for work performed); any amount we pay will be added to the amount you owe us and will be immediately due;
- (d) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (e) proceed, by appropriate action, to enforce performance of this Lease and to recover damages for your breach;
- (f) disconnect, turn off or take back the System by legal process or self-help, but we may not disturb the peace or violate the law;
- (g) report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- (h) charge you a reasonable reconnection fee for reconnecting the System to your utility or turning your System back on after we disconnect or turn off the System due to your default;
- (i) recover from you (i) all accrued but unpaid Monthly Payments, taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing, plus (ii) the unpaid balance of the aggregate rent, each payment discounted to present value at 5% per annum, plus (iii) reasonable compensation, on a net after tax basis assuming a tax rate of 35%, for the loss or recapture of (A) the investment tax credit

equal to thirty percent (30%) of the System cost, including installation; and (B) accelerated depreciation over five (5) years equal to eighty five percent (85%) of the System cost, including installation, and for the loss of any anticipated benefits pursuant to Section 10 of this Lease (Tesla shall furnish you with a detailed calculation of such compensation if such a claim is made); or

- (j) use any other remedy available to us in this Lease or by law.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, Tesla does not give up its right to use another remedy. By deciding not to use any remedy should this Lease be in default, Tesla does not give up our right to use that remedy in case of a subsequent default.

We may submit to credit reporting agencies (credit bureaus) negative credit reports that would be reflected on your credit record if you do not pay any amounts due under this Lease as required.

I acknowledge I have read this Section 17.

Customer's initials: _____

18. SYSTEM REMOVAL: RETURN

At the end of the Term or the termination of this Lease, if you have not renewed this Lease or exercised your purchase option (if any) and you have not defaulted, then within ninety (90) days you agree to call Tesla at the telephone number listed in Section 7 of Exhibit 2 to schedule a convenient time for Tesla to remove the System from your Home at no cost to you.

19. WAIVER

Any delay or failure of a party to enforce any of the provisions of this Lease, including but not limited to any remedies listed in this Lease, or to require performance by the other party of any of the provisions of this Lease, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this Lease.



20. **PRIVACY**

The Tesla Customer Privacy Policy (www.tesla.com/legal) is part of this Agreement.

21. **NOTICES**

All notices under this Lease shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Lease at the addresses set forth in this Lease or such other address as either party may specify in writing. Each party shall deem a document faxed or sent via PDF as an original document.

22. **APPLICABLE LAW; ENTIRE AGREEMENT; CHANGES**

The laws of the state where your Home is located shall govern this Lease without giving effect to conflict of laws principles. This Lease contains the parties' entire agreement regarding the lease of the System. There are no other agreements regarding this Lease, either written or oral. Any change to this Lease must be in writing and signed by both parties. Only an authorized officer of Tesla may execute any change to this Lease on behalf of Tesla. If any portion of this Lease is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

23. **CANCELLATION FEE.**

IF YOU CANCEL THIS AGREEMENT PURSUANT TO SECTION 26(B) OR THIS AGREEMENT AUTOMATICALLY TERMINATES PURSUANT TO SECTION 7(B), THEN WE WILL CHARGE YOU A CANCELLATION FEE OF \$250.

24. **LIST OF DOCUMENTS TO BE INCORPORATED INTO THE CONTRACT.**

- **Exhibit 1:**
Notice of Cancellation (10 Day Right to Cancel)
- **Exhibit 2:**

Performance Guarantee and Limited Warranty

- **Exhibit 3:**
State Specific Provisions (if applicable)
- Schedule A (Detailed System Description)
- Agreement Amendment
- Solar Operation and Maintenance Guide

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25. NOTICE OF RIGHT TO CANCEL

YOU MAY CANCEL THIS LEASE AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS LEASE. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM, FOR AN EXPLANATION OF THIS RIGHT.

26. ADDITIONAL RIGHTS TO CANCEL

IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS LEASE UNDER SECTIONS 7 AND 25, YOU MAY ALSO CANCEL THIS LEASE (A) AT NO COST AT ANY TIME PRIOR TO MIDNIGHT OF THE TENTH BUSINESS DAY AFTER THE DATE YOU SIGN THIS AGREEMENT AND (B) AT ANY TIME PRIOR TO COMMENCEMENT OF CONSTRUCTION ON YOUR HOME.

27. Pricing

The pricing in this Lease is valid for 30 days after 3/12/2019. If you don't sign this Lease and return it to us on or prior to 30 days after 3/12/2019, Tesla reserves the right to reject this Lease unless you agree to our then current pricing.

By signing below, I agree that Tesla can contact me for telemarketing and informational purposes via call or text using automated technology and/or pre-recorded messages using the phone number(s) I provided that are listed on the first page of this contract. I understand that consent is not a condition of purchase. You may opt-out of this authorization at any time by calling us at: 888-765-2489 or sending us written notice and mailing it to: Tesla, Attention: Phone Authorization Opt-Out, 6800 Dumbarton Circle, Fremont, CA 94555.

I have read this Lease (INCLUDING THE AGREEMENT TO ARBITRATE) and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Lease.

Customer's Name: John Smith

Signature: _____

Date: _____

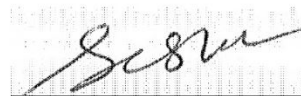
Customer's Name:

Signature: _____

Date: _____

SolarLease Agreement

Tesla Approved



Sanjay Shah
SVP, Energy Operations

Date: 3/12/2019



EXHIBIT 1 (TESLA COPY)
NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE
Notice of Cancellation

Date of Transaction:

You may CANCEL this transaction, without any penalty or obligation, within TEN 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) 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) 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) regarding the return shipment of the goods at the seller's (Tesla's) expense and risk. If you do make the goods available to the seller (Tesla) and the seller (Tesla) 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), or if you agree to return the goods to the seller (Tesla) 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, Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 NOT LATER THAN MIDNIGHT of

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

Customer's Signature:

Customer's Signature:



EXHIBIT 1 (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 **TEN 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) 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) 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) regarding the return shipment of the goods at the seller's (Tesla's) expense and risk. If you do make the goods available to the seller (Tesla) and the seller (Tesla) 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), or if you agree to return the goods to the seller (Tesla) 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, Document Receiving, 6611 Las Vegas Blvd. S., Unit 200, Las Vegas, NV 89119 **NOT LATER THAN MIDNIGHT** of

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

Customer's Signature:

Customer's Signature:



Exhibit 2

PERFORMANCE GUARANTEE AND LIMITED WARRANTY

1. INTRODUCTION

This Performance Guarantee and Limited Warranty (this “Limited Warranty”) is Tesla’s agreement to provide you warranties on the System you leased. The System will be professionally installed by Tesla at the address you listed in the Lease. We will refer to the installation location as your “Property” or your “Home.” This Limited Warranty begins when we start the survey of your Home for the System.

2. LIMITED WARRANTIES, PERFORMANCE GUARANTEE

(a) Limited Warranties

(i) System Warranty

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 full Term;

(ii) Roof Warranty

All roof penetrations we make for your System will be watertight. This warranty will run the longer of (a) the first ten (10) years of the Term or (b) the length of any existing installation warranty or new home builder performance standard for your roof;

(iii) Damage Warranty

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 7, for the full Term (except damages that result from our roof penetrations, which damages are covered for the first ten (10) years of the Term).

Under each of these warranties Tesla will repair or replace any damage, defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. Tesla may use new or reconditioned parts when making repairs or replacements. Tesla may also, at no additional cost to you, upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. Cosmetic repairs that do not involve safety or performance shall be made at Tesla’s discretion.

(b) Performance Guarantee

(i) Power Production Guarantee

Tesla guarantees that during the Lease Term the System will generate kilowatt-hours (kWh) as set forth in the table below and calculated as follows. To calculate the guaranteed amount of kWh for an applicable 12 month period (“Guaranteed kWh”) we will take the applicable year’s Total kWh in the chart below minus the Total kWh from 12 months prior, also as indicated in the chart below:



Year	Guaranteed kWh	Total kWh	Guaranteed Price/kWh
1	3,036	3,036	0.10800
2	3,021	6,057	0.11169
3	3,006	9,062	0.11550
4	2,991	12,053	0.11945
5	2,976	15,028	0.12353
6	2,961	17,989	0.12775
7	2,946	20,935	0.13212
8	2,931	23,866	0.13663
9	2,917	26,783	0.14130
10	2,902	29,685	0.14613
11	2,887	32,572	0.15112
12	2,873	35,445	0.15629
13	2,859	38,304	0.16163
14	2,844	41,148	0.16715
15	2,830	43,979	0.17286
16	2,816	46,795	0.17877
17	2,802	49,596	0.18488
18	2,788	52,384	0.19120
19	2,774	55,158	0.19773
20	2,760	57,918	0.20448

- A. If at the end of each successive 12 month anniversary of your first monthly payment the cumulative Actual kWh (defined below) generated by the System is less than the Guaranteed kWh, **then we will send you a refund check** equal to the difference between the cumulative Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy Price per kWh (defined below). Your cumulative Actual kWh is dependent on a shading percentage of 12.00% on your Home. If this shading percentage increases, your Guaranteed Actual kWh will be reduced proportionately.

For example, if the first 12 month period commences on October 1, 2018 and ends on September 30, 2019, and the energy the System was supposed to generate is less than the energy the system was guaranteed to generate during such 12 month period, we will pay you the difference in the Actual kWh and the Guaranteed kWh multiplied by the Guaranteed Energy price per kWh within thirty (30) days after we receive your request. See the table below for a real world example.



Example Guaranteed kWh	Example Actual kWh	Example Guaranteed \$/kWh Energy Price	Example Payment to You
10,000	9,500	\$0.10	\$50.00

- B. If at the end of each successive 12 month anniversary of your first monthly payment the Actual kWh is **greater** than the Guaranteed kWh during any 12 month period, this surplus will be carried over and will be used to offset any deficits that may occur in the future. If over the course of the Term your System produces more energy than the Guaranteed Output then this additional energy is yours at no additional cost.

“Actual kWh” means the AC electricity produced by your System in kilowatt-hours measured and recorded by Tesla during each successive 12 month anniversary of your first monthly payment. To measure the Actual kWh we will use the PowerGuide Solar Monitoring Service or to the extent such services are not available, we will estimate the Actual kWh by reasonable means.

“Guaranteed Energy Price per kWh” is set out in the table immediately after the first paragraph in Section 2(b)(i) above.

(ii) PowerGuide™ Solar Monitoring

During the Lease Term, we will provide you at no additional cost our PowerGuide Solar Monitoring Service (“PowerGuide”). PowerGuide is a proprietary monitoring system designed and installed by Tesla that captures and displays historical energy generation data over an Internet connection and consists of hardware located on site and software hosted by Tesla. If your System is not operating within normal ranges, PowerGuide will alert us and we will remedy any material issues promptly.

(c) Maintenance and Operation

(i) General

When the System is installed Tesla will provide you with a copy of its Solar Operation and Maintenance Guide. This Guide provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information. 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 your System. This safety anchor is for our use only. You are not authorized to use this anchor.

(ii) PowerGuide

PowerGuide requires a high speed Internet line to operate. Therefore, during the Lease Term, you agree to maintain the communication link between PowerGuide and the System and between PowerGuide and the Internet. You agree to maintain and make available, at your cost, a functioning 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 (typically this is 80 feet, but may depend on site conditions). This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line then (A) we will not be able to monitor the System and provide you with the Power Production Guarantee or provide PowerGuide; and (B) you will be required to provide Tesla with annual production information from your inverter.

(d) Making a Claim; Transferring this Warranty

(i) Claims Process

You can make a claim by:

- A. emailing us at the email address in Section 7 below;



- B. writing us a letter and sending it overnight mail with a well-known service; or
- C. sending us a fax at the number in Section 7 below.

(ii) Transferable Limited Warranty

Tesla will accept and honor any valid and properly submitted Warranty claim made during any Lease Term by any person who either purchases the System from you or to whom you properly transfer the Lease.

(e) Exclusions and Disclaimer

The limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power production or any repair, replacement or correction required due to the following:

- (i) someone other than Tesla or its approved service providers installed, removed, re-installed or repaired the System;
- (ii) destruction or damage to the System or its ability to safely produce power not caused by Tesla or its approved service providers while servicing the System (e.g. if a tree falls on the System we will replace the System per the Lease, but we will not repay you for power it did not produce);
- (iii) your failure to perform, or breach of, your obligations under the Lease (e.g. you modify or alter the System);
- (iv) your breach of this Limited Warranty, including your being unavailable to provide access or assistance to us in diagnosing or repairing a problem, or your failing to maintain the System as stated in the Solar Operation and Maintenance Guide;
- (v) any Force Majeure Event (as defined below);
- (vi) shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- (vii) any system failure or lost production not caused by a System defect (e.g. the System is not producing power because it has been removed to make roof repairs or you have required us to locate the inverter in a non-shaded area);
- (viii) theft of the System (e.g. if the System is stolen we will replace the System per the Lease, but we will not repay you for the power it did not produce);
- (ix) damage to your Home, belongings or property that results from our roof penetrations after the end of the Roof Warranty; and
- (x) damage or loss to the System due to ball strikes.

This Limited Warranty gives you specific rights, and you may also have other rights which vary from state to state. This Limited Warranty does not warrant any specific electrical performance of the System, other than that described above.

Snow or ice may accumulate on rooftops and on solar panels during snow storms. Accumulated snow or ice may slide or fall, resulting in property damage or bodily harm. If and when conditions safely allow you to remove accumulated snow or ice, you should do so to reduce the likelihood of it sliding or falling. TESLA MAKES NO WARRANTY REGARDING AND HAS NO RESPONSIBILITY FOR SNOW OR ICE ACCUMULATION ON YOUR SYSTEM AND ANY PROPERTY DAMAGES OR INJURIES THAT RESULT FROM SUCH SNOW OR ICE RELEASING FROM YOUR SYSTEM. YOU ARE FULLY RESPONSIBLE FOR ADDRESSING ANY SNOW OR ICE ACCUMULATION ON YOUR SYSTEM AND ANY PROPERTY DAMAGES OR INJURIES THAT RESULT FROM SUCH SNOW OR ICE RELEASING FROM YOUR SYSTEM.



THE LIMITED WARRANTIES DESCRIBED IN SECTIONS 2(a) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY TESLA WITH RESPECT TO THE SYSTEM. TESLA HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM. SOME STATES DO NOT ALLOW SUCH LIMITATIONS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

3. TESLA'S STANDARDS

For the purpose of this Limited Warranty the standards for our performance will be (i) normal professional standards of performance within the solar photovoltaic power generation industry in the relevant market; and (ii) Prudent Electrical Practices. "Prudent Electrical Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar power electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

4. SYSTEM REPAIR, REMOVAL AND REINSTALLATION, OR RELOCATION

- (a) **Repair.** You agree that if (i) the System needs any repairs that are not the responsibility of Tesla under this Limited Warranty, (ii) the System needs to be removed and reinstalled to facilitate remodeling of your Home or (iii) the System is being relocated to another home you own pursuant to the Lease, you will have Tesla, or another similarly qualified service provider, at your expense, perform such repairs, removal and reinstallation, or relocation.
- (b) **Removal and Reinstallation/Relocation.** Tesla will remove the System from your roof while roof repairs are being made and reinstall the System after roof repairs are completed for a competitive price. If your roof is being replaced because it is at the end of its natural life, then Tesla will perform the removal and reinstallation for a competitive price. You will need to provide storage space for the System during any such time. Where permitted under the Lease, Tesla will relocate the System to your new home for a competitive price. If we reinstall your System, the Roof Warranty will restart at the completion of reinstallation and run for ten (10) years from reinstallation.
- (c) **Return.** If at the end of the Term you want to return the System to Tesla under Section 18 of the Lease then Tesla will remove the System at no cost to you. Tesla will remove the System without damaging your property, including the posts, waterproofing the post area and return the roof as close as is reasonably possible to its original condition on an architecturally consistent basis before the System was installed (e.g. ordinary wear and tear and color variances due to manufacturing changes are excepted). Tesla will warrant the waterproofing for one (1) year after it removes the System. You agree to reasonably cooperate with Tesla in removing the System including providing necessary space, access and storage, and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

5. FORCE MAJEURE

If Tesla is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, Tesla will be excused from whatever performance is affected by the Force Majeure Event, provided that:

- (a) Tesla, as soon as is reasonably practical, gives you notice describing the Force Majeure Event;
- (b) Tesla's suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e. when a Force Majeure Event is over, we will make repairs); and
- (c) No Tesla obligation that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event is excused as a result of such Force Majeure Event.

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by Tesla's fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind;



drought; unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from Tesla's failure to have exercised reasonable diligence); power or voltage surge caused by someone other than Tesla including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by Tesla or under its control.

6. LIMITATIONS ON LIABILITY

(a) No Consequential Damages

YOU MAY ONLY RECOVER DIRECT DAMAGES INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(b) AND 6(c) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL TESLA OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(b) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, Tesla's total liability arising out of relating to this Limited Warranty shall in no event:

- (i) For System Replacement: exceed the greater of (a) the sum of the Lease payments over the Term of the Lease; and (b) the original cost of the System; and
- (ii) For damages to your Home, belongings and property: exceed two million dollars (\$2,000,000).

7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Lease to the addresses listed below:

TO TESLA: Tesla
6800 Dumbarton Circle
Fremont, CA 94555
Attention: Warranty Claims
Telephone: 650-638-1028
Facsimile: 650-638-1029
Email: customercare@tesla.com

TO YOU: At the billing address in the Lease or any subsequent billing address you give us.

8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

Tesla may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of Tesla's obligations under this Limited Warranty shall be to a party professionally and financially qualified to perform such obligation. This Limited Warranty protects only the person who leases the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Lease. This Limited Warranty contains the parties' entire agreement regarding the limited warranty of the System.





**STATE SPECIFIC EXCEPTIONS, TERMS AND CONDITIONS
NEW YORK**

The second paragraph of Section 10 of the Agreement is replaced in its entirety with the following:

You will have all rights to and title in any solar renewable energy credits (SRECs) that may be associated with the electric power generated by the System. The term solar renewable energy credits shall be defined by New York State law. You acknowledge that as of the date of this agreement no such rights currently exist or are defined by New York State law. If and when such rights exist and are defined by New York State law, it is possible that in order for the System to generate SRECs, the System may need to be certified as a solar renewable energy facility under applicable laws or Tesla may need to make other similar filings. Your failure to cooperate with Tesla in obtaining such certification or similar filing will relieve Tesla of any and all obligation to certify the System, or to generate and transfer ownership of any SRECs associated with the System. Excluding any SRECs associated with the electric power generated by the System that you elect to receive in accordance with this Section 10, YOU UNDERSTAND AND AGREE THAT ANY AND ALL (i) TAX CREDITS (OTHER THAN THE NEW YORK STATE INCOME CREDIT AVAILABLE UNDER AB-34, WHICH SUCH TAX CREDIT ACRUES TO YOU) (ii) TAX INCENTIVES, (iii) RENEWABLE ENERGY CREDITS, GREEN TAGS, OR CARBON OFFSET CREDITS, (iv) UTILITY REBATES, OR (v) ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE THE PROPERTY OF AND FOR THE BENEFIT OF TESLA, USABLE AT ITS SOLE DISCRETION. TESLA SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE, EXCEPT TO THE EXTENT SUCH ENJOYMENT OR USE WOULD INVOLVE THE SALE, USE OR CLAIM OF THE SRECS ASSOCIATED WITH THE GENERATION FROM THE SYSTEM. YOU AGREE TO REFRAIN FROM ENTERING INTO ANY AGREEMENT WITH YOUR UTILITY THAT WOULD ENTITLE YOUR UTILITY TO CLAIM ANY SUCH BENEFITS RETAINED BY TESLA. EXCLUDING THE NEW YORK STATE INCOME CREDIT AVAILABLE UNDER AB-34, AND ANY SRECS ASSOCIATED WITH THE GENERATION FROM THE SYSTEM THAT YOU ELECT TO RECEIVE IN ACCORDANCE WITH THIS SECTION 10, YOU AGREE TO REASONABLY COOPERATE WITH TESLA SO THAT IT MAY CLAIM ANY TAX CREDITS, RENEWABLE ENERGY CREDITS, REBATES, CARBON OFFSET CREDITS OR ANY OTHER BENEFITS FROM THE SYSTEM. THIS MAY INCLUDE TO THE EXTENT ALLOWABLE BY LAW, ENTERING INTO NET METERING AGREEMENTS, INTERCONNECTION AGREEMENTS, AND FILING RENEWABLE ENERGY/CARBON OFFSET CREDIT REGISTRATIONS AND/OR APPLICATIONS FOR THE SYSTEM OR REBATES FROM THE FEDERAL, STATE OR LOCAL GOVERNMENT OR A LOCAL UTILITY AND GIVING THESE TAX CREDITS, RENEWABLE ENERGY/CARBON CREDITS, REBATES OR OTHER BENEFITS TO TESLA.



Disclosures required by the Uniform Business Practices for Distributed Energy Resource Suppliers:

1. You have rights under the Home Energy Fair Practices Act (HEFPA). Please go to http://www.dps.ny.gov/HEFPA_Brochure_12-08.pdf to learn more about these rights.
2. If you have a dispute, you may contact the New York Department of Public Service at <http://www.dps.ny.gov/> or 1-800-342-3377.
3. Loss analysis: The estimated deviation of your System from its Total Solar Resource Fraction is 0.61. The Total Solar Resource Fraction is the amount of sunlight the measured area will receive over a year.
4. The rate at which you, the customer, are compensated for any electricity sold to the utility is determined by the NY Public Service Commission. It's currently a kWh bill credit for excess energy you generate valued at the same rate the utility charges for energy delivered to you. The rate is not guaranteed by Tesla.
5. Installation timeline:
Approximate start date: 60-120 days from the date of this Agreement
Approximate end date: 60-120 days from the date of this Agreement



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