



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 Power Purchase Agreement (PPA). 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 purchase power not a solar system. You will not own the solar system installed on your property.</p>
Price, Fees, and Charges	Electricity Rate and Term Your rate per kilowatt-hour (kWh) for the power produced: 10.80 ¢ Your estimated first year production: 3,196 kWh Amount Due Up-Front Amount you owe Provider at PPA 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 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: Provider 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 performance guarantee or provide PowerGuide and Tesla will be required to estimate your power usage as set forth in the PPA. Automatic Bank Withdrawals (ACH): You will receive a discount of \$7.50 if using automatic bank withdrawals. The electricity rate listed above reflect this discount. Number of Monthly Payments 240 monthly payments When Payments Are Due Your first Monthly Payment is due on the first day of the second full calendar month following the Interconnection Date. Provider will provide you with: Electronic Invoices (sent to your email address above) PPA Payment Escalator The amount of your electricity rate per kWh will increase: Annually Your electricity rate per kWh will increase by the following amount: 2.90% The first increase will occur with your 13th payment.
Installation	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



	<p>Tel.: 888-765-2489</p> <p>Email: customercare@tesla.com</p>
System Size and Generation	<p>Estimated System Size: 4.25 kW DC</p> <p>The exact system size will be described in the Detailed System Description provided with your final design.</p> <p>Estimated gross annual electricity production in kilowatt-hours (kWh) from your System in Year 1: 3,196 kWh</p> <p>Estimated annual electricity production decrease due to natural aging of the System: 0.5%</p> <p>Estimated System Lifetime: 30 years</p>
Maintenance and Repairs	<p>System maintenance IS included for the term of the PPA 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 PPA 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</p> <p>Warranty is included with the contract for the full term.</p> <p>Maintenance/Repair Provider: Tesla Energy Operations, Inc.</p> <p>Address: 6800 Dumbarton Circle, Fremont, CA 94555</p> <p>Tel.: 888-765-2489</p> <p>Email: customercare@tesla.com</p>
Roof Warranty	<p>Your roof IS warranted against leaks from the system installation for the first 10 years.</p> <p>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 Agreement. 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 agreement is: 20 Years</p> <p>End of Contract Term Options</p> <ul style="list-style-type: none"> • If you are not in default under this Agreement, you will have an option to purchase the System at the end of the Term for Fair Market Value • 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</p> <p>You have no early termination rights after the installation of your system.</p> <p>Selling Your Property</p> <p>If you sell your home, you MAY transfer this PPA to the purchaser(s) of your home. If you may transfer the PPA, 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 ▪ 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</p>





	terms in your contract. You may also have the options to purchase the system or prepay some or all of the balance as part of a transfer.
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	This contract does not guarantee savings. Provider is providing you with a: <ul style="list-style-type: none">• Performance guarantee Underproduction or underperformance will be remedied as follows: Tesla will repair or replace any defective part and restore System performance.
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. Provider's Data Privacy Policy: www.tesla.com/legal
Right to Cancel Without Penalty	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 Agreement (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 Power Purchase Agreement

\$0

System installation cost

10.80¢

Electricity rate per kWh

Initial here _____

2.90%

Annual Escalator

Initial here _____

20yrs

Agreement Term

Initial here _____

The Tesla Promise

- 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, maintain 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 Power Purchase 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 cost to you.
- You can upgrade to a new System with the latest solar technology under a new contract.
- You may purchase the System from Tesla for its fair market value as specified in the Agreement.
- You may renew this Agreement for up to ten (10) years in two (2) five (5) year increments.

Options for System Purchase:

- At certain times, as specified in the Agreement, you may purchase the System.
- These options apply during the 20 year term of our Agreement and not beyond that term.

6800 Dumbarton Circle, Fremont, CA 94555 | 888.765.2489 | tesla.com

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1. Introduction.

This Power Purchase Agreement (this “Power Purchase Agreement,” “Agreement” or “PPA”) is the agreement between you and Tesla, Inc. (together with its successors and assigns, “Tesla” or “we”), covering the sale to you of the power produced by the solar panel system (the “System”) we will install at your home. Tesla agrees to sell to you, and you agree to buy from Tesla, all of the power produced by the System. The System will be installed by Tesla at the address you listed above (the “Property” or your “Home”). This Power Purchase Agreement is eight (8) pages long and has up to three (3) Exhibits depending on the state where you live. Tesla provides you with a Limited Warranty (the “Limited Warranty”). The Limited Warranty is attached as **Exhibit 2**. If you have any questions regarding this Power Purchase Agreement, 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. Term.

Tesla agrees to sell you the power generated by the System for 20 years (240 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. We refer to this period of time as the “Term.” The 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 when your System is ready to be turned on.

3. Intentionally Left Blank.

4. Power Purchase Agreement Payments; Amounts.

(a) Power Price. During the first year of the term, you are purchasing all of the power the System produces for \$0.1080 per kWh. After the first year, the price per kWh will increase by 2.90% per year. There are no installation costs.

(b) Payments.

Your monthly payments will be the product of (A) the price per kWh multiplied by (B) the actual kWh output for the calendar month (“Monthly Payments”). Invoices for Monthly Payments will be mailed or emailed no later than ten (10) days after the end of a calendar month. If you are paying your invoice by

automatic debit from your checking or savings account (ACH) we will debit your bank account on or about the 1st day of the next month following invoice (e.g. January invoices are sent in early February and debited on or about March 1). Monthly Payments will change as your price per kWh changes over the Term of this PPA and as System production varies (e.g., summer has higher production). You will have regular access to the System’s production via your Tesla online account. Payments due upon installation, if any, are due immediately prior to commencement of installation. **You will make no Monthly Payments if you are fully prepaying this PPA. In this case, you will pay only the amounts listed in the key terms summary on page one of this PPA.**

(c) Estimated Production. If (i) the System is shut down for more than seven (7) full twenty-four (24) hour days cumulatively during the Term because of your actions; or (ii) you take some action that significantly reduces the output of the System; (iii) you don’t trim your bushes or trees to their appearance when you signed this PPA to avoid foliage growth from shading the System; or (iv) your System is not reporting production to Tesla (e.g. you have disconnected the PowerGuide system or the internet connection at your Home goes down on the reporting day), then Tesla will reasonably estimate the amount of power that would have been delivered to you during such System or reporting outages or reduced production periods (“Estimated Production”) and shall consider Estimated Production as actual production for purposes of this paragraph. In the first year of the Term, Estimated Production will be based on our production projections. After the first year of the Term, Estimated Production will be based on historical production for that month in the prior year. If we bill you for Estimated Production because your System is not reporting production to Tesla, and we subsequently determine that we have either overestimated or underestimated the actual production, then we will adjust the next bill downward (to refund overbilling) or upward (to make up for lost billing). You will not be charged for Estimated Production when the System is not producing electricity due to Tesla’s fault, or if it’s due to grid failure or power outages caused by someone other than you.



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.

- (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) not modify your Home in a way that shades the System;
- (iv) 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);
- (v) not remove any markings or identification tags on the System;
- (vi) permit Tesla, after we give you reasonable notice, to inspect the System for proper operation as we reasonably determine necessary;
- (vii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- (viii) 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;
- (ix) notify Tesla if you think the System is damaged or appears unsafe; if the System is stolen; and prior to changing your power supplier;
- (x) have anyone who has an ownership interest in your Home sign this Power Purchase Agreement;
- (xi) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
- (xii) 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). See section 2(c)(ii) of the Limited Warranty for details; and
- (xiii) if your home is governed by a home owner's association or similar community organization

6. Power Purchase Agreement Obligations.

(a) System, Home and Property Maintenance

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.

(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) provide you with a home energy evaluation;
- (v) notify you if the System design has to be materially changed so that you can review any such changes;
- (vi) clean up after ourselves during the construction of the System;
- (vii) 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;
- (viii) insure our actions, covering damages to your property caused by faulty installation, System malfunction or manufacturing defects;
- (ix) not be a loss payee (or named insured) on the insurance policy covering your Home;
- (x) repair the System pursuant to the Limited Warranty and reasonably cooperate with you when scheduling repairs;
- (xi) 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 PPA even if Tesla ceases to operate; and
- (xii) 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, Late Charges, Fees

In addition to the other amounts you agree to pay in this Power Purchase Agreement, 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 the lesser of twelve percent (12%) annually or the maximum allowable by applicable law.

(e) Taxes

Your Tesla electricity rate of \$0.1080 per kWh is composed of an electricity rate of \$0.1080 plus current taxes of \$0.0000. You agree to pay any changes in the applicable taxes related to this PPA. Thus, if tax rates change, your Tesla electricity rate will change to reflect this rate change. If this PPA contains a purchase option at the end of the Term, you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable personal property taxes on the System that your local jurisdiction may levy.

(f) 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.

(g) 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 Power Purchase Agreement and the System; (C) installing, using and maintaining electric lines and 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 installing, constructing, operating, owning, repairing, removing and replacing the System. This access right shall continue for up to ninety (90) days after this Power Purchase Agreement expires to provide Tesla with time to remove the System at the end of the Power Purchase Agreement. 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.

(h) 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 Power Purchase Agreement.

(i) Payments

SUBJECT TO SECTION 4(b) ABOVE, YOU AGREE THAT THE OBLIGATION TO PAY ALL PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS PPA 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, 23 AND 24, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS PPA, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

(j) Credit Check

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; Change Orders.

- (a) Tesla's obligation to install the System and sell you the power it produces is 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 Power Purchase Agreement by one of Tesla's financing parties;
- (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 Payments set forth in this Power Purchase Agreement;
- (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 necessary roof repairs to enable us to safely install the System).
- (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 Power Purchase Agreement without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vii) will not be satisfied for reasons beyond its reasonable control. Once Tesla starts installation, however, it may not terminate this Power Purchase Agreement for your failure to satisfy conditions (i) through (vii) above.

(b) **Amendments.**

The System's initial estimated production is set forth in this PPA. After System design, the estimated production is likely to change and we will share those changes with you prior to installation. If the estimated production increases or decreases by more than twenty percent (20%), both parties will have the right to terminate this PPA without penalty or fee. 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 estimated production. If you do not terminate this PPA or return the written amendment described below within this time period, then this PPA will automatically terminate and we will charge you a \$250 cancellation fee. Changes of more than twenty percent (20%) in estimated production will be documented in an amendment to this PPA.

You authorize Tesla to make corrections to the utility paperwork to conform to this PPA or any amendments to this PPA 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 will assign this PPA to one of its financing partners. You agree that Tesla may assign, sell or transfer the System and this Power Purchase Agreement, or any part of this Power Purchase Agreement or the exhibits, without your consent. This assignment does not change Tesla's obligation to maintain and repair your System as set forth in the 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 PPA is not a contract to sell or lease the System to you. 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 Term.

In addition to purchasing the System at the end of the Term, you have the option to purchase the System prior to the end of the Term as detailed below. To exercise this option you must be in good standing under this Power Purchase Agreement and you need to give us at least one (1) month's, but not more than three (3) months' prior written notice. You can purchase this System:

- (i) on the five (5) year anniversary of the beginning of the Term and every annual anniversary after the five (5) year anniversary; and
- (ii) at any time after the five (5) year anniversary of the beginning of the Term, when you sell your Home; and
- (iii) if Tesla ever ceases its operations.

In each of (i), (ii) and (iii) above, the price you will pay for the System will be the System's fair market value ("FMV"). A third party independent appraiser will be retained to compute the System's FMV. Tesla's maintenance and repair obligations under the Limited

Warranty (Exhibit 2) will continue when you purchase the System until what would have been the end of the original Term.

12. Renewal.

If you are in compliance with your PPA, you have the option to renew your PPA 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 Term, which forms shall set forth the new Monthly Payments due under the renewal PPA, 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 end of the PPA. In the event that you do not agree to the new Monthly Payments this PPA 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 PPA 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 the same rate as your first renewal 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 PPA.

13. Selling Your Home.

(a) If you sell your Home you can:

(i) Transfer this Power Purchase Agreement 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

Where permitted by the utility(s), the System can be moved to your new home pursuant to Section 4 of the Limited Warranty. You will need to provide the same rights to Tesla as provided for in this PPA and provide any third party consent



or releases required by Tesla in connection with the substitute premises.

(iii) Prepay this Power Purchase Agreement and Transfer only the Use of the System

At any time during the Term, you can prepay this Power Purchase Agreement in full by paying Tesla the expected remaining payments (estimated future production during the rest of the Term multiplied by the average kWh rate during the rest of the Term) at a five percent (5%) discount rate. The person buying your Home will only need to sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this PPA. 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 PPA.

(iv) Purchase the System (see Section 11)

- (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 PPA obligations. In connection with this assumption, you, your approved buyer and Tesla shall execute a written transfer of this PPA.
- (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 Power Purchase Agreement. 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 ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SYSTEM OR THIS PPA 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 PPA, no loss, damage, theft or destruction will excuse you from your obligations under this PPA, 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 PPA, you shall continue to timely make all Monthly Payments and pay all other amounts due under the PPA 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 EACH OTHER UNDER THIS POWER PURCHASE AGREEMENT 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(H), 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(H). 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 Power Purchase Agreement 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 PPA (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 Power Purchase Agreement;
- (d) you assign, transfer, encumber, sublet or sell this PPA 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 Power Purchase Agreement is in default (including if you cancel this Agreement 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 PPA;
- (b) 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;
- (c) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (d) proceed, by appropriate action, to enforce performance of this PPA and to recover damages for your breach;
- (e) 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;
- (f) report such non-operational status of the System to your utility, informing them that you are no longer net metering;
- (g) 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;
- (h) recover from you (i) a payment equal to the purchase price as set forth in this agreement plus (ii) all taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing; or
- (i) use any other remedy available to us in this PPA or by law.

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 PPA as required.

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 Power Purchase Agreement be in default, Tesla does not give up our right to use that remedy in case of a subsequent default.

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 PPA, if you have not renewed this PPA 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 PPA, including but not limited to any remedies listed in this PPA, or to require performance by the other party of any of the provisions of this PPA, 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 PPA.

20. Privacy

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

21. Notices.

All notices under this PPA shall be in writing and shall be by personal delivery, facsimile transmission, electronic mail, overnight courier, or certified or registered mail, return receipt requested.

22. Applicable Law; Entire Agreement; Changes.

The laws of the state where your Home is located shall govern this PPA without giving effect to conflict of laws principles. This PPA contains the parties' entire agreement regarding the sale and purchase of power generated by the System. There are no other agreements regarding this PPA, either written or oral. Any change to this PPA must be in writing and signed by both parties. Only an authorized officer of Tesla may execute any change to this Agreement on behalf of Tesla. If any portion of this PPA 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

REST OF PAGE INTENTIONALLY LEFT BLANK.



25. **NOTICE OF RIGHT TO CANCEL.**

YOU MAY CANCEL THIS CONTRACT AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT. 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 PPA UNDER SECTION 25, YOU MAY ALSO CANCEL THIS PPA (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 PPA is valid for 30 days after 3/12/2019. If you don't sign this PPA and return it to us on or prior to 30 days after 3/12/2019, Tesla reserves the right to reject this PPA 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 Power Purchase Agreement (**INCLUDING THE AGREEMENT TO ARBITRATE**) and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Power Purchase Agreement.

Customer's Name: John Smith

Signature: _____

Date: _____

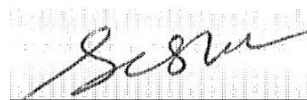
Customer's Name:

Signature: _____

Date: _____

Power Purchase 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 are hosting pursuant to our PPA. The System will be professionally installed by Tesla at the address you listed in the PPA. 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) Performance Guarantee

Tesla guarantees that during the Power Purchase Agreement Term the System will operate within manufacturer’s specifications and if it does not that Tesla will repair or replace any defective part and restore System performance.

(ii) PowerGuide™ Solar Monitoring

During the Power Purchase Agreement 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 link to its Solar Operation Guide. This Guide provides you with System operation instructions, answers to frequently asked questions, troubleshooting tips and service information. Tesla will perform all required System maintenance. 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 Power Purchase Agreement 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 we will not be able to monitor the System and provide you with a performance guarantee or provide PowerGuide. Further, if PowerGuide is not operational, Tesla will be required to estimate your power usage as set forth in the PPA.

(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 Term by any person who either purchases the System from you or to whom you properly transfer the PPA.

(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 Power Purchase Agreement, but we will not repay you for power it did not produce);
- (iii) your failure to perform, or breach of, your obligations under the Power Purchase Agreement (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;
- (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 Power Purchase Agreement, 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
- (ix) 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.

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 Power Purchase Agreement, 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 PPA, 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 PPA 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 returning 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 Monthly Payments over the Term of the Power Purchase Agreement 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 Power Purchase Agreement 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 Power Purchase Agreement 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 hosts 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 Power Purchase Agreement. 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 ACQUIRES 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. 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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