



## Reassignment Solar Subscription and Home Improvement Agreement

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

Price	s Sheet
Your information	
2239 E Powell Rd Palm Springs, CA 92262	
Tesla entity / Provider	
Tesla, Inc. of 3500 Deer Creek Road, Palo Alto, CA, 94304 888-765-2489 CA CSLB 949283	4
Installer	
Tesla Energy Operations, Inc. of 901 Page Avenue, Fremo	ont, CA 94538
Salesperson Name and License Number	
N/A	
Energy Products and Contract Price Description of the Project and Description of the Significant Solar System 11.34 kw DC solar panels	t Materials to be Used and Equipment to be Installed
Due to inventory availability, Tesla may increase this system size	by up to 10% at no additional cost to you.
Monthly Subscription Payment	\$195.00
You, the buyer, may cancel this transaction at any tin date of this transaction. See the attached notice of can	ne prior to midnight of the third business day after the acellation form for an explanation of this right.
Approximate Installation Start Date	
7-90 days from the date of this Agreement	
Approximate Completion Date	
7-90 days from the date of this Agreement	
Signed by	
Your signature	Tesla, Inc.
Federary Name (Dates al., 2000 08:28 (PST))	- Carl Peter
Name:	and for

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

Name: Carl Peterson

Title: Senior Director, Residential Energy

Date:

Date: Nov 18, 2020





# Reassignment Solar Subscription and Home Improvement Agreement Terms & Conditions

- 1. **Introduction.** This Reassignment Solar Subscription and Home Improvement Agreement is the agreement between you and Tesla for the subscription of a solar energy system (the "System"). You agree to the recurring "Monthly Subscription Payment" detailed in the Price Sheet and may cancel this subscription at any time, subject to the terms of Tesla's Cancellation Policy. Tesla agrees to waive the Monthly Subscription Payment for your first three (3) months. This is a legally binding agreement, so please read everything carefully including all of the exhibits.
- 2. Eligibility. You agree to the following:
- (a) You are the only title holder of your Home or have the full power and authority to sign this Agreement on behalf of all other title holders to your Home;
- (b) You are responsible for any pre-existing conditions at your home that may prevent the System from operating as intended (e.g. structural integrity, unpermitted work, condition of the roof).
  - (c) You will notify Tesla if you think the System is damaged or appears unsafe or if the System is stolen; and
- (d) You will make available, at your cost, a functioning and reliable indoor internet connection with a router, one DHCP enabled Ethernet port with internet access and standard AC power outlet close enough and free of interference to enable an internet-connected gateway provided by Tesla to communicate wirelessly with the System's inverter at all times (e.g. you will notify Tesla if there is any disruption or change to your connectivity). Additionally, you agree to maintain an active Tesla Account while the System is installed at your Home.
- 3. Changes to Subscription Price. Your Monthly Subscription Payment is subject to change. If your Monthly Subscription Payment is changed, Tesla will provide you with an updated Price Sheet electronically and/or through your Tesla portal. If you do not reject the updated Price Sheet within thirty (30) days and cancel your subscription, your next invoice will reflect the updated pricing.
- 4. **Service.** You agree to give us, our affiliate or subcontractor access to the installation location identified above (your "Home") as scheduled so we can service your System.
- 5. Automatic Monthly Payments. By entering into this Agreement, you agree to pay the Monthly Subscription Payment by allowing Tesla to automatically debit your credit card each month until you cancel your subscription. Your first three (3) Monthly Subscription Payments will be waived, and your subsequent Monthly Subscription Payments will be debited from your credit card on the monthly anniversary of the day you either close escrow on the Home or the date that you enter into this Agreement, whichever is later. You agree to pay at the beginning of each billing cycle for services to be rendered in that billing cycle. If this falls on a weekend or holiday, your Monthly Subscription Payment may be debited the following business day.
- (a) If your payment is unsuccessful for any reason, you agree that Tesla may attempt the debit three (3) more times within three (3) days following the first attempt. If the credit card debit remains unsuccessful after the third attempt, Tesla will consider this your request to cancel your subscription and turn off your service immediately.
- 6. **Automatic Renewal; Cancellation; Term.** Your subscription will automatically renew for the following month unless you email Tesla to cancel your subscription at <a href="mailto:energycustomersupport@tesla.com">energycustomersupport@tesla.com</a> or through your Tesla Account. You may cancel this subscription at any time and your service and corresponding Monthly Subscription Payments will end at the end of your billing cycle. You will not receive any pro-rata refunds.
- (a) If you change your mind after cancelling your subscription, you may re-enroll by emailing <a href="mailto:energycustomersupport@tesla.com">energycustomersupport@tesla.com</a> or through your Tesla Account. You will be subject to the then-current pricing, which may be higher than your original Monthly Subscription Price.
  - (b) Tesla reserves the right to cancel service at any time for any reason with thirty (30) days' notice.
- 7. **System Removal.** If the System needs to be removed for any reason, such as your cancellation or for roof repairs, you agree to give Tesla reasonable access to your Home to remove the System at Tesla's convenience and availability. Tesla will perform the System removal work at your cost of \$2,500 upon your request to energycustomersupport@tesla.com.





Tesla, or one of our subcontractors, will patch and seal all roof penetrations associated with removal of the System. Tesla shall have no obligation to repair any ordinary wear and tear on the Home, or to provide any replacement parts. If Tesla is unable to remove the racking hardware installed into your roof without damaging the roof, you understand that Tesla will leave the hardware as is. As an alternative, you may choose to have a similarly qualified service provider remove the System from your Home at your expense. If the System is damaged as a result of the removal, you may be responsible for all costs to repair or replace the System. You may not modify or remove the System without written consent from Tesla.

- 8. **Home Owner's Association.** If your home is governed by a home owner's association or similar community organization, you agree to obtain all approvals and authorizations for the System required by that organization and advise us of any requirements of that organization that will otherwise impact the System, its installation or operation.
- 9. **Order Payment**. The Order Payment (if any) paid for your Subscription will become non-refundable upon installation of the System. Once your System receives permission to operate, we will return your Order Payment and charge you the Monthly Subscription Payment.
- 10. **Estimated Taxes.** You agree to pay any applicable sales or use taxes on the Monthly Subscription Payments due under this Agreement. If you choose to purchase the System at any time, you agree to pay any applicable tax on the purchase price for the System.
- 11. **Selling Your Home.** If you sell your Home, you may choose to cancel or transfer this Agreement to the person buying your Home (the "Home Buyer"). If you choose to transfer, the Home Buyer must accept a subscription agreement with Tesla and will assume all of your rights and obligations under this Agreement.
- 12. Ownership of the System; Tax Credits and Rebates. You agree that the System is Tesla's personal property under the Uniform Commercial Code. You understand and agree that this is a subscription agreement and not a sale agreement. Tesla owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by Tesla, and shall at your expense protect and defend Tesla against the same.
- (a) You agree all tax credits, incentives, rebates, and certificates are the property of Tesla. You agree to cooperate with Tesla so that we may claim these credits, incentives, rebates and certificates, which may include signing any net metering or interconnection agreements and maintaining a valid internet connection.
- 13. **Purchasing the System.** You may purchase the System at any time for the fair market value, which considers then current prices and the System's age and degradation. Tesla will provide you with a purchase price, which may include any past-due payments (if applicable), upon your request to <u>energycustomersupport@tesla.com</u>.
- 14. **UCC-1 Fixture Filing.** Tesla may choose to file in the real estate records a UCC-1 financing statement ("Fixture Filing") that preserves their rights in the System for as long as the System is installed on your Home. The Fixture Filing is intended only to give notice of its rights relating to the System and is not a lien or encumbrance against the Property.
- 15. **Transfer.** Tesla may assign, sell or transfer the System and this subscription agreement, or any part of this subscription agreement or the exhibits, without your consent.
- 16. **Privacy.** The Tesla Customer Privacy Policy is part of this Agreement. You agree to be contacted at the phone number that you provide us with more information or offers about Tesla products. You understand these calls or texts may use automated dialing or pre-recorded messages. This consent is not a condition of this Agreement. You may opt out of this consent at any time by contacting us at 888-765-2489.
- 17. **Intellectual Property.** We own all intellectual property rights associated with the System. We grant you a non-exclusive license to use any imbedded software in connection with the operation of the System only.
- 18. Solar System Maintenance & Operation. Tesla will provide you with an initial copy of the Solar Operation and Maintenance Guide (which may be updated from time to time, the "Manual"). The Manual provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information. You must maintain and operate the System in accordance with the instructions in the Manual. If we install a safety anchor in your roof during the installation of the System, we will leave this anchor installed for our future use throughout the installation and operation of the System. This safety anchor is for our use only. You are not authorized to use this anchor.





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

## 21. Limitation of Liability.

- (a) We are not liable to you for any indirect, special or consequential damages arising out of this Agreement. To the extent permitted by law, our aggregate liability to you under this Agreement is limited to the fair market value of the System ("FMV"). These limitations apply to any liability arising out of any site survey performed by us or our affiliate or subcontractor in connection with this Agreement.
- (b) The Limited Warranties in Section 22 do not apply to any breach by Tesla directly or indirectly caused by or resulting from any of the following: (i) abuse, misuse or negligence, (ii) accidents or other events beyond Tesla's (or its affiliates', subcontractors' or representatives') reasonable control, including but not limited to lightning, flood, earthquake, fire, excessive wind and other extreme weather events; (iii) failure to operate or maintain the Solar System in accordance with the Manual; (iv) strikes by balls or other objects, dirt, dust, bird excrement, animals, insects, foliage or algae growth; (v) water entering around a fitting, accessory or other material not supplied by Tesla; (vi) any material or equipment not supplied by Tesla that the Solar System may be connected to; (vii) someone other than Tesla installing, removing, re-installing or repairing the Solar System (including, but not limited to, damaging the Solar System during such work) unless that party does so in compliance with the Manual; or (viii) any Solar System failure or lost or diminished performance that results from your actions or omissions that are not in compliance with the Limited Warranties.
- (c) The Limited Warranties in Section 22 do not cover (a) conditions at your Home not caused by our breach, including, but not limited to, unpermitted conditions, improper electrical wiring, defects in the roof structure that cause it to sag over time, chimney or exhaust vent heights that are reduced by your Solar System, cracked or crumbling masonry, or inadequate attic ventilation; (b) normal wear and tear or deterioration, or superficial defects, dents or marks that do not impact the performance or functionality/integrity of your Solar System; (c) damage or deterioration that occurs after the expiration or voiding of all or part of the Limited Warranties; or (d) theft or vandalism of your Solar System or any of its components.
- 22. Limited Warranties. Your System and installation work are covered by the following limited warranties. THESE ARE THE ONLY EXPRESS WARRANTIES MADE IN CONNECTION WITH THE SYSTEM AND INSTALLATION WORK. Any other warranties, remedies and conditions, whether oral, written, statutory, express or implied (including any warranties of System performance or merchantability and fitness for purpose, and any warranties against latent or hidden defects) are expressly disclaimed. If such warranties cannot be disclaimed, Tesla limits the duration of and remedies for such warranties to the durations and remedies described below.

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





- 23. **Breach; Remedies.** If you are in breach of this Agreement, upon seven (7) days prior written notice, Tesla may pursue any remedy it has under this Agreement or at law, including termination, suspension of performance or maintenance, repossession of the System (if title has not yet transferred) and collection of all amounts due (including those past due, which will be charged 2% interest per annum).
- 24. **Notices.** You can find applicable lien notices, certain warnings required by law, and details of our insurance in Exhibit 2.
- 25. **Governing Law; Integration.** This Agreement is governed by the laws of the State where your System is installed. The information at the links described above is part of this Agreement. Any other terms relating to your System that are not contained or referred to in this Agreement are not binding on us or you.
- 26. 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 <a href="https://www.adr.org">www.adr.org</a>.

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

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

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





#### Exhibit 2

#### **NOTICES**

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

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

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

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

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

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

### **MECHANICS' LIEN RELEASES**

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

## **CALIFORNIA MECHANICS LIEN WARNING:**

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

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

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





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

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

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

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

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