



## Motorcycle Purchase Agreement

This Motorcycle Purchase Agreement (“the Agreement”) is mutually agreed to between Lightning Motors Corporation (referred to as “Lightning, the “Seller,” “we,” “us,” or “our”) and \_\_\_\_\_ (referred to as the “Buyer” or “you”).

### Terms & Conditions

**Documentation.** Your Agreement is made up of the following documents that are presented in the Lightning online ordering system and process:

1. **Motorcycle Configuration:** The Motorcycle Configuration describes the Motorcycle that you configured and ordered, including pricing (excluding taxes and official or government fees) on Lightning online ordering system or pursuant to previous discussion. The Motorcycle Configuration is listed in the online order confirmation email.
2. **Terms & Conditions:** These Terms & Conditions are effective as of the date you place your order and make your Order Payment (the “Order Date”).

**Agreement to Purchase.** You agree to purchase the Motorcycle (the “Motorcycle”) described in your Motorcycle Configuration form or your Motorcycle invoice from Lightning pursuant to the terms and conditions of this Agreement. Your Motorcycle is priced and configured based on features and options available at the time of order. Options, features or hardware released after you place your order may not be included in or available for your Motorcycle.

### Warranties.

Any Motorcycle purchased from us shall include a Vehicle Identification Number (“VIN”) and shall meet any applicable U.S. Department of Transportation and National Highway Traffic Safety Administration standards in order to be legally driven on public streets in the United States. A Certificate of Origin shall be included with delivery of the Motorcycle. Lightning shall also provide reasonable assistance to the Buyer with registering the Motorcycle with a state Department of Motor Vehicles following purchase.

Lightning offers, and includes with purchase, a limited factory 1-year or 12,000 miles (whichever occurs first) warranty and warrants that the Motorcycle is free from defects in material and workmanship during the period of this warranty (the “Limited Warranty”). Lightning shall be responsible for any necessary repairs covered during the period of this Limited Warranty other than those resulting from user error or user-caused damage or accidents. Wear items like brake pads, chains, and tires shall be excluded from this warranty except for inherent manufacturing defects. See Appendix A for Lightning Warranty Policy.

Seller will endeavor to conduct any diagnostics and firmware upgrades remotely, but Buyer acknowledges that for certain repairs Seller may require physical access to the Motorcycle at its factory in order to complete repairs.



**Purchase Price, Taxes and Official Fees.** The total purchase price of the Motorcycle is indicated on your Motorcycle invoice. We acknowledge that Buyer might have already paid to us \$500 (five hundred dollars) for LS-218 model or \$250 (two hundred and fifty dollars) through online order process. If so, that amount will be credited in your invoice. Upon execution of this Agreement, Buyer shall be required to pay an additional \$9,500 (nine thousand five hundred dollars), for a total of \$10,000 (ten thousand dollars) as a deposit. Upon receipt of that deposit, we will put your order in the order queue. The remaining balance shall be due from Buyer to Seller upon completion of the Motorcycle prior to the Buyer (or buyer's designated shipping company) picking up the Motorcycle. If you select to pay using credit card or debit card, a 3.5% convenience fee will be added to the purchase price. This purchase price does not include shipment cost, taxes and official or government fees which may be imposed by state or local government or government agencies. Because these shipment, taxes and fees are constantly changing and will depend on many factors, such as where you register the Motorcycle, they will be calculated closer to the time of delivery, or you can find out from your local DMV. You are responsible for paying the shipment, taxes, and any other government fees.

**Order Process; Cancellation; Changes.** After you submit your completed order and pay the order deposit, we will, if you are purchasing a Custom Ordered Motorcycle, begin the scheduling steps and subsequently start the process of producing your Motorcycle or matching your order to a Motorcycle, as applicable, and later begin preparing and coordinating your Motorcycle delivery. The estimated time to manufacture your Motorcycle shall be stated in writing in the Motorcycle Configuration; we endeavor to meet that timeline but shall update you in writing if events beyond our control materially change the estimated production time. If you are purchasing a Motorcycle from our standard configuration that is not custom ordered by you, we will, after you submit your completed order and pay the order deposit, begin the process of preparing production and later coordinating your Motorcycle delivery. **At this point, you agree that any paid Order has been earned and it is NOT refundable.** If you cancel your order or breach this Agreement and we cancel your order, you agree that we may retain as liquidated damages the Order Deposit, to the extent not otherwise prohibited by law. You acknowledge that the Order Deposit is a fair and reasonable estimate of the actual damages we have incurred or may incur in transporting, remarketing, and reselling the Motorcycle, costs which are otherwise impracticable or extremely difficult to determine. If you make changes to your order, you may be subject to potential price increases for any pricing adjustments made since your original Order Date. Any changes made by you to your Motorcycle Configuration, will be reflected in a subsequent Motorcycle Configuration that will form part of this Agreement. When you take delivery of the Motorcycle, we will provide a credit to the final order price of your Motorcycle equivalent to the amount of the Order Deposit you paid.

**Delivery.** You agree to schedule and take delivery of your Motorcycle when you receive written per-delivery preparation notice. If you or your shipping company do not take delivery within fourteen (14) days of our first attempt to notify you, Lightning may charge you a reasonable storage fee to hold the motorcycle for additional time.



If you wish to pick up your Motorcycle from Lightning factory, you will be responsible to work with Lightning customer service to arrange the pick up schedule. If you and Lightning otherwise agree, Lightning will, on your behalf, coordinate the shipment of your Motorcycle to you from a location where we are located. In such a case, you agree that this is a shipment contract under which Lightning will coordinate the shipping of the Motorcycle to you via a third-party common carrier and you will be required to contract directly and separately with said carrier. You agree that delivery of the Motorcycle, including the transfer of title and risk of loss to you, will occur at the time your Motorcycle is loaded onto the common carrier's transport. The carrier will insure your Motorcycle while in transit and you will be the beneficiary of any claims for damage to the Motorcycle or losses occurring while the Motorcycle is in the possession of a common carrier.

**Safety & Operation.** Seller shall offer to Buyer an opportunity to hold a video conference or teleconference upon Buyer's receipt of the Motorcycle to discuss operation of the Motorcycle and to discuss safety information. Seller strongly recommends that Buyer conduct this conference prior to riding the Motorcycle to ensure Buyer's safety. Buyer acknowledges and accepts the inherent risks of riding motorcycles and understand that the Lightning electric motorcycle is a high performance electric motorcycle with the potential of immediate torque and extreme acceleration. Buyer further agrees to sign the attached WAIVER AND RELEASE FROM LIABILITY as part of this purchase agreement.

**Limitation of Liability.** We are not liable for any incidental, special or consequential damages arising out of this Agreement. Your sole and exclusive remedy under this Agreement will be limited to reimbursement of your Order Deposit, other than Lightning's obligations under its Limited Warranty.

**Cancellation.** Lightning and its affiliates sell Motorcycles directly to end-consumers, and we may unilaterally cancel any order that we believe has been made with a view toward resale of the Motorcycle or that has otherwise been made in bad faith, and we will keep your Order Deposit. This includes orders for which a third-party is facilitating or brokering the sale, or if the Motorcycles are to be exported to somewhere other than where you tell us you will be registering the Motorcycle. We may also cancel your order and refund your Order Deposit if we discontinue a product, feature or option after the time you place your order. We work to fulfill your order as quickly as we can. If you become unresponsive to us or fail to complete a requested action to progress towards delivery of your Motorcycle, we may cancel your order and keep your Order Deposit.

**Governing Law; Integration; Assignment.** The terms of this Agreement are governed by, and to be interpreted according to, the laws of the California. The exclusive venue for any judicial action arising out of or relating to this Agreement will be San Benito County courts, and the parties to this Agreement hereby waive any challenge to venue and personal jurisdiction with regard to such courts.

**Sales Final.** Please review the entire contract, including all attached statements, before signing. This contract is final and binding once you have signed it.



This Agreement is entered into and effective as of the date Buyer and Seller sign this Agreement, by electronic means or otherwise. By confirming and accepting this Agreement, Buyer and Seller agree to the terms and conditions of this Agreement.

Buyer's Name:

Signature:

Date:

Seller's Name

Signature:

Date:



## Appendix A



**Lightning Motors Corporation Limited Warranty Policy**

In this limited warranty, the term 'MOTORCYCLE' shall refer to a new motorcycle manufactured by LIGHTNING MOTORS CORPORATION, ('MANUFACTURER'), distributed and sold by LIGHTNING MOTORS CORPORATION. ('LIGHTNING') or sold by an authorized Lightning dealer ('DEALER'). The term 'CUSTOMER' shall refer to the owner or lessee of record of the MOTORCYCLE registered with LIGHTNING and to any subsequent owner, and the term 'DELIVERY' shall refer to the date of delivery of a MOTORCYCLE from LIGHTNING or the DEALER to the CUSTOMER.

## Section A — Warranty

Subject to Section D, LIGHTNING offers the following warranty coverage to the CUSTOMER:

1. Periods of warranty:

**a) Pleasure Use (including government use)**

**i) Basic Period of Warranty**

The period of warranty shall be ninety days commencing on DELIVERY on all racing models.

The period of warranty shall be one year or 12,000 miles (whichever occurs first) on DELIVERY on all street-legal models.

**b) Commercial Use**

The period of warranty shall be half of the warranty period indicated for pleasure use, commencing on DELIVERY on any MOTORCYCLE which has been identified as being used for commercial applications.

2. During these periods of warranty:

a) Any part defective by reason of the MANUFACTURER'S faulty workmanship or material will be replaced or repaired free of charge;

b) Any repairs or adjustments made necessary by reason of the MANUFACTURER'S faulty workmanship or material will be performed free of charge.

The MANUFACTURER reserves the right to change the design and specifications not limited to voltage, power and torque of any model without obligation to modify any model previously manufactured.

## Section B — Subsequent Owner

The warranty provided for in Section A may be transferred to any subsequent owner provided that the period of warranty has not expired and that the CUSTOMER has complied with all terms and conditions of this warranty.

The subsequent owner has the responsibility for ensuring that a change of registration is sent to LIGHTNING at the time of transfer of ownership.

This transfer MUST be done by contacting LIGHTNING or the DEALER who will forward the following information to LIGHTNING:

1. the complete model and serial number as shown on the original warranty document;
2. the name of the previous owner;
3. the original delivery date of the MOTORCYCLE;
4. the complete name and address of the subsequent owner;
5. the indication that the subsequent owner has received and read the Owner's Manual and this warranty policy.

## Section C — Obtaining Repairs Under Warranty

To obtain repairs under warranty, the CUSTOMER must:

1. Ensure that the MOTORCYCLE is properly operated, maintained and stored as specified in the

Owner's Manual;

2. Give notice to LIGHTNING or a DEALER of any and all apparent defects immediately upon discovery, and make the entire MOTORCYCLE available at that time for inspection and repair at LIGHTNING or the DEALER'S place of business;
3. Provide proof of the warranty coverage to LIGHTNING or such DEALER (CUSTOMER'S copy of the New Vehicle Information Statement: MSO);
4. If using an authorize DEALER to tear down the MOTORCYCLE for diagnostic evaluation should it be required.

All warranty repairs must be done by LIGHTNING or a DEALER or an authorized repair agent and final approval of any repairs rests with LIGHTNING. All parts replaced become the property of LIGHTNING.

## Section D — Exclusions

1. This warranty does not apply unless:
  - a) The MOTORCYCLE has been fully assembled and set to the MANUFACTURER'S operating specifications by LIGHTNING or a DEALER prior to DELIVERY to the CUSTOMER;
  - b) The CUSTOMER has followed the break-in and storage instructions contained in the Owner's Manual, and all other instructions shown in the Owner's Manual;
  - c) The CUSTOMER can provide record of maintenance having been performed as recommended in the Owner's Manual;
  - d) Requests for repairs under warranty have been made as prescribed in Section C.
2. This warranty does not cover the repair of damage resulting from abuse or neglect of the MOTORCYCLE. Examples of abuse and neglect include, but are not limited to:
  - a) Racing, competition, MOTORCYCLE designated as race model, modification of original parts, abnormal strain;
  - b) Use of lubricants, fluids, and mixtures other than those recommended in the Owner's Manual, improperly installed accessories and use of parts or accessories that are not equivalent in design and quality to genuine LIGHTNING parts;
  - c) Damage as a result of accidents, collisions, contact with foreign materials, impact, submersion or use of the MOTORCYCLE after discovery of a defect;
  - d) Appearance-related damages of body parts. Examples of such damages include but are not limited to: scratches, dents, cracks, fading, flaking, peeling.
3. This warranty does not extend to:
  - a) MOTORCYCLES modified in any way from the standard specifications as described in the Owner's Manual, including any MOTORCYCLE whose odometer has been altered or any component is disassembled and/or reassembled in any way;
  - b) Normal wear and tear, corrosion and routine maintenance, such as the recommended service inspections;
  - c) Pre-delivery inspection and assembly;
  - d) MOTORCYCLES from which the MANUFACTURER'S identification numbers have been removed and whose identification numbers have been altered or mutilated;
  - e) Parts replaced due to normal wear or routine maintenance such as drive chains, sealed beams and light bulbs, tires, drive belts, brake pads and fuses;
  - f) Inconvenience, loss of time, loss of income or loss of use of the MOTORCYCLE or any consequential damage of any kind;
  - g) Damages from theft, fire, vandalism, explosion, water or acts of God;
  - h) Storage costs, or transportation and shipping costs related to the performance of this warranty.



## Section E

This warranty is in addition to, and not a modification of, any legal warranty required by the laws of any province of USA. Subject to any applicable sales or consumer legislation, the above warranty is in lieu of any warranty or representation, express or implied, including any warranty of performance, merchantability or fitness for a particular purpose on the part of LIGHTNING, and any other obligation or liability on behalf of LIGHTNING, and the above warranty constitutes your sole remedy and the full liability of LIGHTNING. In no event shall LIGHTNING be liable for special, incidental or consequential damages howsoever caused, whether by negligence or otherwise resulting directly or indirectly from the use of the MOTORCYCLE, or the MOTORCYCLE'S having replacement parts or the unavailability of replacement parts. LIGHTNING does not assume or authorize any person to create or assume for LIGHTNING any obligation or liability in connection with the MOTORCYCLE or any part thereof distributed by LIGHTNING.

### **Original Equipment Tires**

Tires supplied as original equipment on your MOTORCYCLE are warranted separately by the individual tire manufacturer or its representatives. Generally speaking, this warranty covers defects in workmanship or material.

### **Storing Your MOTORCYCLE**

If your MOTORCYCLE is not to be used for 60 days or more, it must be properly stored to ensure against deterioration. You should consult your Owner's Manual for storage details.

LIGHTNING cannot accept responsibility for damage to your vehicle or personal injury resulting from negligence or lack of experience in the preparation of your MOTORCYCLE for storage.

### **Pre-delivery Inspection Checklist**

LIGHTNING has assembled, inspected and tested the MOTORCYCLE according to the LIGHTNING Predelivery Inspection Checklist prior to DELIVERY to the CUSTOMER. (Some items may not be applicable to all models.) These items include:

- Brakes
- Fluid Levels
- Drive System
- Throttle System
- Wheels / Tires / Suspension
- Steering and Controls
- Electrical Systems
- Replacing damaged or missing parts
- Test Ride

### **Change of Address or Other Owner Information**

If you should move after you have purchased your MOTORCYCLE, please contact LIGHTNING. Provide the model name and serial number along with your new mailing address (or other information). This will ensure that LIGHTNING has an up-to-date registration record.