

## Upsolar PV Modules International Reinforced Standard Warranty Terms 2010:

### 1. Limited Product Warranty

UPSOLAR CO., LTD. and subsidiary companies ("UPSOLAR") warrants its Upsolar Photovoltaic Modules (MODULES), including factory-assembled DC connectors and cables, if any, to be free from defect in materials and workmanship under normal application, installation (by a qualified professional licensed installer), use and service conditions during the period ending sixty (60) months from the date of sale (the "Date of Sale") as shown in the invoice from the retailer to the retail customer who first purchases the MODULES (the "Limited Product Warranty"). If a MODULE fails to conform to the Limited Product Warranty, UPSOLAR will, at its option, either repair or replace the product, or refund the purchase price paid by the CUSTOMER. The remedies set forth in this clause 1 shall be the sole and exclusive remedies provided under the "Limited Product Warranty," and shall not extend beyond the sixty (60) month period set forth herein. This "Limited Product Warranty" does not warrant a specific power output, which shall be exclusively covered under clause 2 hereinafter ("Limited Peak Power Warranty").

### 2. Limited Peak Power Warranty - Limited Remedy

#### Years 1 - 3:

If within a period of three (3) years from the date shown in the invoice to the CUSTOMER, any MODULE(s) exhibits a power output less than 97% of the minimum "Peak Power at STC"<sup>1</sup> as specified at the date of invoice on the corresponding flash reports, provided that such loss in power is witnessed, proven and agreed by the parties to be due to defects in material or workmanship, UPSOLAR will at its sole option, either **(a)** provide additional MODULES to the CUSTOMER to make up for such loss in power, **(b)** refund the CUSTOMER the percentage of the corresponding loss at the historical purchasing cost of the defective MODULE(s) pro rata temporis on a basis of a 25 year lifespan **(c)** replace such loss in power by replacing the defective MODULE(s) at the option of UPSOLAR.

#### Years 4 - 25:

#### Yearly levels of guaranteed peak power output:

Years	YPm in %		
Year #7	93.50	%	... of the minimum "Peak Power at STC" <sup>1</sup> as specified at the date of invoice on the corresponding flash reports, provided that such loss in power is determined by UPSOLAR to be due to defects in material or workmanship, UPSOLAR will at its sole option, either <b>(a)</b> provide additional MODULES to the CUSTOMER to make up for such loss in power, <b>(b)</b> refund the CUSTOMER the percentage of the corresponding loss at the historical purchasing cost of the defective MODULE(s) pro rata temporis on a basis of a 25 year lifespan <b>(c)</b> replace such loss in power by replacing the defective MODULE(s) at the option of UPSOLAR.
Year #12	90.00	%	
Year #16	86.92	%	
Year #20	83.85	%	
Year #25	80.00	%	

#### Extra coverage:

Both, the "Limited Product Warranties" and "Limited Peak Power Warranties" also covers any dismounting costs of the defective MODULES and remounting costs of the replacement MODULES of on the photovoltaic system.

#### Exclusions & Limitations:

Exclusions and limitations to this Limited Warranty for PV Modules do apply, so please contact Upsolar For a copy of the company's complete 2010 Limited Warranty for PV Modules.

#### Detailed calculation method for refunding:

Following on-site audits and laboratory testing session, the parties will agree on:

An agreed average loss in power "L" in % will be the difference between the YPm in % for the corresponding year (here above described minimum value of guaranteed power) and the real average power output Pm of the corresponding batch.

The parties will agree on the perimeter of the product that is affected by the loss: "AW" the affected watts, in Watts.

After 20 years, the value of a solar panel is considered to be 5% of its initial value (after 21 years, 4%, after 22 years, 3%, after 23 years, 2%, after 24 years, 1%)

WpP = historical watt peak price of the contract, in currency per watt peaks.

Calculation method from 1 to 19 years = Refund value "RV" will be calculated as =

$RV = L \times AW \times WpP \times (20 - Y\#) / 20 + (L \times AW \times WpP \times 5\%)$

#### Examples =

Year #	After date of invoice	10	5	12	15
Ypm	From the here above table	90,00%	93,50%	90,00%	86,92%
Real Pm	After measurement and mutual agreement	70,00%	65,00%	65,00%	75,00%
WpP in EUR	Historical price for the corresponding invoice	1,4	1,4	1,4	1,4
AW in watts	Size of the module batch affected by the power degradation issue	100000	100000	100000	100000
RV in EUR	Results = The refund Value =	15400	31920	15750	5006
% of the contract price		11,00%	22,80%	11,25%	3,58%

Calculation method from 20 to 25 years = Refund value "RV" will be calculated as =

$L \times AW \times WpP \times 5\%$  for year #20

$L \times AW \times WpP \times 4\%$  for year #21

$L \times AW \times WpP \times 3\%$  for year #22

$L \times AW \times WpP \times 2\%$  for year #23

$L \times AW \times WpP \times 1\%$  for year #24

#### 3. Extra coverage:

##### Dismounting and remounting costs:

Both, the "Limited Product Warranties" and "Limited Peak Power Warranties" does also cover any dismounting costs of the defective MODULES and remounting costs of the replacement MODULES of the photovoltaic system.

#### 3. Exclusions and Limitations

- In any event, all warranty claims must be filed within the applicable warranty period.
- The "Limited Product Warranties" and the "Limited Peak Power Warranties" do not apply to any MODULES which have been subjected to:
  - ☐ Misuse, abuse, neglect or accident;
  - ☐ Alteration, improper installation or application;
  - ☐ Non-observance of UPSOLAR's installation and maintenance instructions;
  - ☐ Repair or modifications by someone other than an approved service technician of UPSOLAR;
  - ☐ Power failure surges, lighting, flood, fire, accidental breakage or other events outside UPSOLAR's control.
- Warranty claims will not be honored if the type or serial number of the MODULES have been altered, removed or made illegible.

#### 4. Limitation of Warranty Scope

These "Limited Warranties for PV Modules" as set forth herein are expressly in lieu of and exclude all other express or implied warranties, including but not limited to warranties of merchantability and of fitness for particular purpose, use, or application, and all other obligations or liabilities on the part of UPSOLAR, unless such other obligations or liabilities are expressly agreed to in writing signed and approved by UPSOLAR. UPSOLAR shall have no responsibility or liability whatsoever for damage or injury to persons or property, or for other loss or injury resulting from any cause whatsoever arising out of or related to the MODULES, including, without limitation, any defects in the MODULE, or from use or installation. Under no circumstances shall UPSOLAR be liable for incidental, consequential or special damages, howsoever caused. Loss of use, loss of profits, loss of production, and loss of revenues are specifically and without limitation excluded. UPSOLAR's aggregate liability, if any, in damages or otherwise, shall not exceed the invoice value as paid by the CUSTOMER, for the single unit of MODULE.

#### **5. Obtaining Warranty Performance**

If the CUSTOMER feels a justified claim covered by this "Limited Warranties for PV Modules", an immediate notification directly to UPSOLAR shall be filed by mailing a [registered/certified] letter in writing to the address of UPSOLAR listed hereunder, or, sending an email letter to the email account of UPSOLAR listed hereunder. Together with the notification, the CUSTOMER should enclose the evidence of the claim with the corresponding serial number of the MODULE(s) and the invoice on which the MODULES have been purchased. The return of any PV-modules will not be accepted unless prior written authorization has been given by UPSOLAR.

#### **6. Severability**

If a part, provision or clause of this "Limited Warranty for PV Modules", or the application thereof to any person or circumstance, is held invalid, void or unenforceable, such holding shall not affect and shall leave all other parts, provisions, clauses or applications of this "Limited Warranty for PV Modules", and to this end such other parts, provisions, clauses or applications of this "Limited Warranty for PV Modules" shall be treated as severable.

#### **7. Disputes**

In case of any discrepancy in a warranty-claim, a first-class international test-institute such as Fraunhofer ISE in Freiburg/ Germany, TÜV Rheinland in Cologne/ Germany or ASU Arizona State University shall be involved to judge the claim finally. All fees and expenses shall be born by the losing party, unless otherwise awarded. The final explanation right shall be borne by UPSOLAR.

THIS LIMITED WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS. YOU MAY ALSO HAVE OTHER RIGHTS BY COUNTRY LAW THAT VARY FROM COUNTRY TO COUNTRY..

#### **8. Various**

The repair or replacement of the MODULES or the supply of additional MODULES, does not cause the beginning of new warranty terms, nor shall the original terms of this "Limited Warranty for PV-Modules" be extended. Any replaced MODULES shall become the property of UPSOLAR made for their disposal. UPSOLAR has the right to deliver another type (different in size, color, shape and/or power) in case UPSOLAR discontinued producing the replaced MODULES at the time of the claim.

#### **9. Warranty Transfer**

This warranty is transferable with the ownership of the installed MODULES when the product remains installed in its original location.

#### **10. Force Majeure**

UPSOLAR shall not be responsible or liable in any way to the customer or any third-party arising from any non-performance or delay in performance of any terms and conditions of sale, including this "Limited Warranty for PV Modules", due to act of God, war, riots, strikes, warlike conditions, plague or other epidemics, fire, flood, or any other similar cause or circumstance beyond the reasonable control of UPSOLAR. In such cases, performance by UPSOLAR of this Limited Warranty shall be suspended without liability for the period of delay reasonably attributable to such causes.

#### **11. Validity**

This "Limited Power Warranty for PV Modules" is valid for all MODULES dispatched between 1<sup>st</sup> January 2010 and 31<sup>st</sup> December 2010. The reference date in case of any doubts will be the corresponding date of the commercial invoice to the customer.



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1 "Peak Power at STC" is the power in Watt peak that a PV- module generates in its Maximum Power Point. "STC" are as follows

(a) Light spectrum of AM 1.5, (b) an irradiation of 1000 W per and (c) a cell temperature of 25 degree centigrade at right angle irradiation. The measurements are carried out in accordance with IEC 61215 as tested at the connectors or junction box terminals – as applicable – per calibration and testing standards of UPSOLAR valid at the date of manufacture of the PV-modules.

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