

S-ENERGY LIMITED WARRANTY FOR PV MODULES

- ❑ **SNxxxP-10 series Standard PV module**
- ❑ **Effective from 16th April, 2015**

The following warranties (“Limited Warranty”) apply to S-ENERGY Photovoltaic Modules (the “Modules”) sold by S-ENERGY Co., Ltd. (“S-ENERGY”) and extended only to the original end customer and subsequent owners (“collectively referred to as “Customer”) at the original installation site. The Product Warranty (“Section A”) covers the material and workmanship of the Modules, whereas loss of performance and minimum output of the Modules are exclusively the objects of the Performance Warranty (“Section B”). Warranty Conditions for both warranties are set forth in the Section C to G. Warranty A and B shall be effective from the Bill of Lading date of the Modules shipment (“Effective Date”).

SECTION A. PRODUCT WARRANTY

1. S-ENERGY warrants to Customer that “PV Module(s)” shall be free of defects in material and workmanship under the conditions stated herein for a period of ten (10) years from the Effective Date.
2. The Limited Warranty is applicable for Module(s) where the malfunction or non-conformity of a Module(s) results exclusively from defects in materials and/or workmanship under normal application, installation, use and service conditions. Colour changes, or other changes in Module(s) appearance including but not limited to abrasion, scratching, oxidation, mold and mechanical wear-out, which occurs after delivery to Customer, are exempt from this Limited Warranty if it does not cause the loss of performance in functionality of the Module(s).

SECTION B. PERFORMANCE WARRANTY

S-ENERGY warrants to Customer that the PV Module(s) distributed by it provides following minimum power output specified in each period:

1. **First Year Peak Power Output Limited Warranty:** S-ENERGY warrants that the minimum “Peak Power under Standard Test Conditions (STC)” of the PV Module(s) for a period of first year from the Effective Date shall not be reduced to less than ninety-seven point five percent (97.5%) of the nominal power classification.
2. **Second Year to Twenty-fourth Year Peak Power Output Limited Warranty:** S-ENERGY warrants that the minimum “Peak Power under STC” of the PV Module(s) maintain the level of max annual power decline will not be more than 0.7% of the nominal power classification for a period of second year to twenty-fourth year from the Effective Date of the PV Module(s).
3. **Twenty Five Years Peak Power Output Limited Warranty:** S-ENERGY warrants that the minimum “Peak Power under STC” of the PV Module(s) maintain the level of max annual power of

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eighty point seven percent (80.7%) of the nominal power classification for a period of twenty-five (25) years from the Effective date of the PV Module(s)

4. Standard Test Conditions (STC): Module performance shall be measured under STC. Peak Power under STC is the power in Watt peak that a PV module(s) generates in its Maximum Power Point. STC is as follows (a) light spectrum of AM 1.5, (b) an irradiation of 1.000 W per m² and (c) a cell temperature of 25 degree centigrade at right angle irradiation. The measurements are carried out in accordance with IEC 60904 as tested at the connectors or junction box terminals—as applicable—per calibration and testing standards of S-ENERGY valid at the date of manufacture of the PV module(s). S-ENERGY's calibration standards shall be compliant with the standards applied by international institutions accredited for this purpose.

SECTION C. EXCLUSION & LIMITATION

This Limited Warranty is valid only for normal and correct use and installation, and only under normal operating conditions. The Limited Warranty assumes that the performance of the Module(s) has not been reduced by actions or events outside the sphere of influence of S-ENERGY, in particular but not limited to:

1. Modifications/damage as a consequence of force majeure (such as, but not limited to, storms, hail, fire, power outage, lightning, flooding, snow damage, avalanches, frost, earthquakes, tornadoes, volcanic eruptions, landslides, plagues of insects and other detrimental effects by animals, acts of war, etc.) or damage caused by third parties due to vandalism and theft;
2. Unprofessional installation, commissioning, operation or improper removal and/or reinstallation of Modules (e.g. not in compliance with S-ENERGY's installation manual);
3. Inappropriate maintenance including, but not limited to, maintenance by an unauthorized technician or not in compliance with S-ENERGY's installation manual;
4. Any damage caused in transit such as using vehicles, ships, air flight or any other methods of transportations as well as other off-grid use of Module(s);
5. Impairment through external influences (e.g. acid rain, dirt, smoke, salt, chemicals and other impurities);
6. Interconnection with Module(s) made by other manufacturers;
7. Defects of the system into which the Modules are integrated; or
8. Insufficient ventilation. In particular the maximum temperatures according to the installation manual may under no circumstances be exceeded.
9. Warranty claims will only be accepted if the Module(s) have been used according to their intended purpose and do not exhibit any signs of excessive wear and tear or external damage not reconcilable with normal use.

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10. The serial number and/or type label must not be damaged to identify that the subject products are identified as being manufactured by S-ENERGY. All installation and operating instructions must have been closely followed. Adherence to the safety and warning notes contained therein and the permissible installation and operating conditions specified on the data sheet is a prerequisite for the acceptance of warranty claims.

11. Claims under this warranty may be transferred or assigned to any third party under S-ENERGY's prior written consent.

12. Customer may request to conduct relevant tests to prove whether any certain claim is eligible for coverage and whether any specified terms and conditions of the provision 2 and/or sub-provisions apply to the claim with prior written consent of S-ENERGY. If such test proves that the claim is favorable to Customer, S-ENERGY shall bear the cost of such test. And if such test proves that the claim is favorable to S-ENERGY, Customer shall bear the cost of such test. For the purpose of this provision, the test institution which would be appointed and conduct the test shall be among below institutions:

- Fraunhofer ISE in Freiburg in Germany;
- TÜ V Rheinland in Cologne in Germany;
- ASU Arizona State University;
- TÜ V Rheinland in Japan; or
- KIER In Korea

13. In the event that these warranty conditions deviate from the specification or performance of the Modules under the Contract which is made and entered into between parties, terms and conditions of the Contract shall prevail.

SECTION D. DISCLAIMERS

THE LIMITED WARRANTIES SET FORTH HEREIN ARE IN LIEU OF AND EXCLUDE ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE OR APPLICATION, AND ALL OTHER OBLIGATIONS ON THE PART OF S-ENERGY UNLESS SUCH OTHER WARRANTIES AND OBLIGATIONS ARE AGREED TO IN WRITING BY S-ENERGY. SOME JURISDICTIONS LIMIT OR DO NOT PERMIT DISCLAIMERS OF WARRANTY, SO THIS PROVISION MAY NOT APPLY TO THE CUSTOMER IN THE CASE.

SECTION E. LIMITATION OF LIABILITY

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL S-ENERGY BE LIABLE TO THE CUSTOMER OR TO ANY THIRD PARTY CLAIMING THROUGH FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES, WHATSOEVER CAUSED. LOSS OF USE, LOSS OF PROFITS, LOSS OF PRODUCTION, LOSS OF REVENUES ARE THEREFORE

SPECIFICALLY BUT WITHOUT LIMITATION EXCLUDED. S-ENERGY'S AGGREGATE LIABILITY, IF ANY, IN DAMAGES OR OTHERWISE, SHALL NOT EXCEED THE PURCHASE VALUE OF THE PV MODULE(S) AS PAID BY THE CUSTOMER.

SECTION F. CLAIM PROCEDURE

1. The Customer shall notify S-ENERGY promptly (in no event later than thirty (30) days) from discovery of any breach of the Limited Warranty for PV Modules by submission of the A/S request form to S-ENERGY within applicable warranty period. No consideration will be given to late complaints. The determining factor for compliance with the warranty time limit is timely receipt of notification.

2. All warranty claims must be submitted in writing to:

To: S-ENERGY Co., Ltd.

3rd Fl., Miraeasset Tower, 685, Sampyeong-dong,
Bundang-gu, Seongnam-si, Gyeonggi-do, KOREA
Tel: +82 70 4339 7100, Fax: +82 70 4339 7199
E-Mail: as@s-energy.com, inquiry@s-energy.com

3. For the Performance Warranty claim, the Customer must also submit proof that the Module(s) performance has fallen below the minimum guaranteed by S-ENERGY. The Customer must adhere to the test procedure authorized by S-ENERGY and submit the data converted to the standard test conditions while producing evidence that the performance has fallen below the guaranteed minimum performance. S-ENERGY reserves the right to verify the shortfall in performance. If the test body commissioned by S-ENERGY comes to the conclusion that the divergence is permissible or that no divergence exists, S-ENERGY shall be entitled to claim a refund of the performance test costs

4. In case of an eligible warranty claim, S-ENERGY shall, at its sole discretion, replace the module(s) with a functional module(s) of the same type, remedy the defects of the PV Module(s) or refund the difference between the actual performance of the module(s) and the warranted performance based on the then current market price of the electricity. Should the type of Module(s) no longer be produced at the time of the warranty claim, S-ENERGY shall put its reasonable efforts to supply another type of PV Module(s) (different size, shape, colour and/or capacity) which does not affect the performance of existing system. In case of replacement or remedy, S-ENERGY shall bear the one-way ocean freight to the destination port.

5. No other claims shall be derived from this warranty.

6. For module(s) newly supplied or repaired, only the remaining time of the original warranty period shall apply.

7. The Customer shall only be entitled to return module(s) with the prior written consent of S-ENERGY.

SECTION G. DISPUTE RESOLUTIONS

1. All legal disputes arising from this warranty shall be governed by the law of the Republic of Korea. The UN Sales Convention (CISG) and conflict of law rules do not apply.
2. Both parties shall make every effort to resolve any disputes arising from or in connection with this Warranty agreement by means of commercial arbitration.
3. Notwithstanding the provision 2, disputes related to technical issues (issues related to function or malfunction of the PV Module(s) or other related product(s)) shall be first submitted to non-binding expert evaluation as provided provision 4.
4. The Technical Related Disputes shall be evaluated by an expert appointed by one of the following test institutions listed in Section C, provision 12. The appointed expert shall provide its expert opinion regarding the function of the PV Module(s), and the causes of the malfunction (if exists). The expert shall also provide a suggestion for the adequate resolution of the dispute including monetary compensation if needed. The specific institution which will appoint the expert shall be the institution that is physically the closest to the location of the PV Module(s) in dispute.
5. The expert's opinion shall be non-binding on either of the parties to this Agreement, but may be used as admissible evidence if the dispute is submitted to arbitration. For avoidance of doubt, both parties reserve the right to submit the case to arbitration pursuant to paragraph (a) above and to present alternative expert opinion(s) to the arbitration tribunal.
6. The parties shall cooperate to fully accommodate the appointed expert and shall provide the expert the necessary assistance to promptly complete its tasks. The parties shall share the fees to be paid to the expert.