

Limited Warranty for PV modules of S-ENERGY

- ❑ **SM-xxxPC8 series Standard PV module**
- ❑ **Effective July 1, 2013**

S-ENERGY Co., Ltd. ("S-ENERGY") provides the Buyer ("Buyer") with a product warranty (**Section A**) and a performance warranty (**Section B**). The product warranty covers the material and workmanship of the module(s), whereas loss of performance (degradation) and minimum output of the module(s) are exclusively the objects of the performance warranty. Warranty Conditions for both warranties are set forth in the **Section C**. Warranty A and B shall be effective from the B/L date of the products' shipment. ("Effective Date") The Limited warranty applies exclusively to the S-ENERGY brand Photovoltaic Module(s) ("PV Module(s)") as the following listed standard PV Module(s) types:

1. SM-xxxPC8 series in 54 poly crystalline solar cells
2. SM-xxxPC8 series in 60 poly crystalline solar cells
3. SM-xxxPC8 series in 72 poly crystalline solar cells

SECTION A. PRODUCT WARRANTY

1. S-ENERGY warrant to Buyer 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 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 buyer, are exempt from this warranty if it does not cause degradation in functionality of the module(s).

SECTION B. PERFORMANCE WARRANTY

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

1. **First Year Peak Power Output:** 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 percent (97%) of the nominal power classification.
2. **Second Year to Twenty-fourth Year Peak Power Output:** 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:** S-ENERGY warrants that the minimum "Peak Power

under STC" of the PV Module(s) maintain the level of max annual power of eighty point two percent (80.2%) 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. WARRANTY CONDITIONS

1. General

1.1. This warranty is granted only to the Buyer. For the purpose of this article, Buyers are all parties who have purchased PV module(s) directly from S-ENERGY or S-ENERGY's authorized sales agent.

1.2. In the event that these warranty conditions deviate from the specifications set forth in the data sheet, these warranty conditions shall prevail.

1.3. Claims arising from or in connection with this warranty must be filed in writing within the applicable warranty period. No extension of the warranty period, regardless of legal basis, will be permitted.

2. Disclaimers / Liability limitations

2.1. This warranty is valid only for normal and correct use and installation, and only under normal operating conditions. The 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:

2.1.1. 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;

2.1.2. Unprofessional installation, commissioning, operation or improper removal and/or reinstallation of modules (e.g. not in compliance with S-ENERGY's installation manual);

2.1.3. Inappropriate maintenance including, but not limited to, maintenance by an unauthorized technician or not in compliance with S-ENERGY's installation manual;

2.1.4. Use on mobile units such as vehicles and ships as well as other off-grid use of module(s);

2.1.5. Impairment through external influences (e.g. acid rain, dirt, smoke, salt, chemicals and other impurities);

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2.1.6. Interconnection with module(s) made by other manufacturers;

2.1.7. Defects of the system into which the module is integrated; and

2.1.8. Insufficient ventilation. In particular the maximum temperatures according to the installation manual may under no circumstances be exceeded.

2.2. 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.

2.3. 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.

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

2.5. Buyer 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 Buyer, S-ENERGY shall bear the cost of such test. And if such test proves that the claim is favorable to S-ENERGY, Buyer 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;
- TÜV Rheinland in Cologne in Germany;
- ASU Arizona State University;
- TÜV Rheinland in Japan; or
- KIER In Korea

2.6. S-ENERGY shall not be liable under any circumstance to any incidental, indirect, consequential or special damages, howsoever 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 Buyer.

2.7. S-ENERGY shall undertake no responsibility for the quality of the goods except as otherwise provided in this limited warranty and the attached hereto.

3. Specific performance

3.1 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 under the provision 3.1,

S-ENERGY shall bear the one-way ocean freight to the destination port.

3.2 No other claims shall be derived from this warranty.

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

4. Implementation/Enforcement of the performance warranty

4.1 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

4.2 The prerequisite for the acceptance of warranty claims is submission of the A/S request form to S-ENERGY.

4.3 The Buyer must also submit proof that the module(s) performance has fallen below the minimum guaranteed by S-ENERGY. The Buyer 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.

4.4 Claims arising out of or in connection with this warranty must be asserted within thirty (30) days after acknowledgement of the event giving rise to the claim. No consideration will be given to late complaints. The determining factor for compliance with the warranty time limit is timely receipt of notification.

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

5. Disputes Resolution

5.1 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.

5.2 Both parties shall make every effort to resolve any disputes arising from or in connection with this Warranty agreement by means of commercial arbitration.

5.3 Notwithstanding the provision 5.2, 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 5.4.

5.4 The Technical Related Disputes shall be evaluated by an expert appointed by one of the following test institutions listed in provision 2.5. The appointed expert shall provide its expert opinion

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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.

5.5 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.

5.6 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.