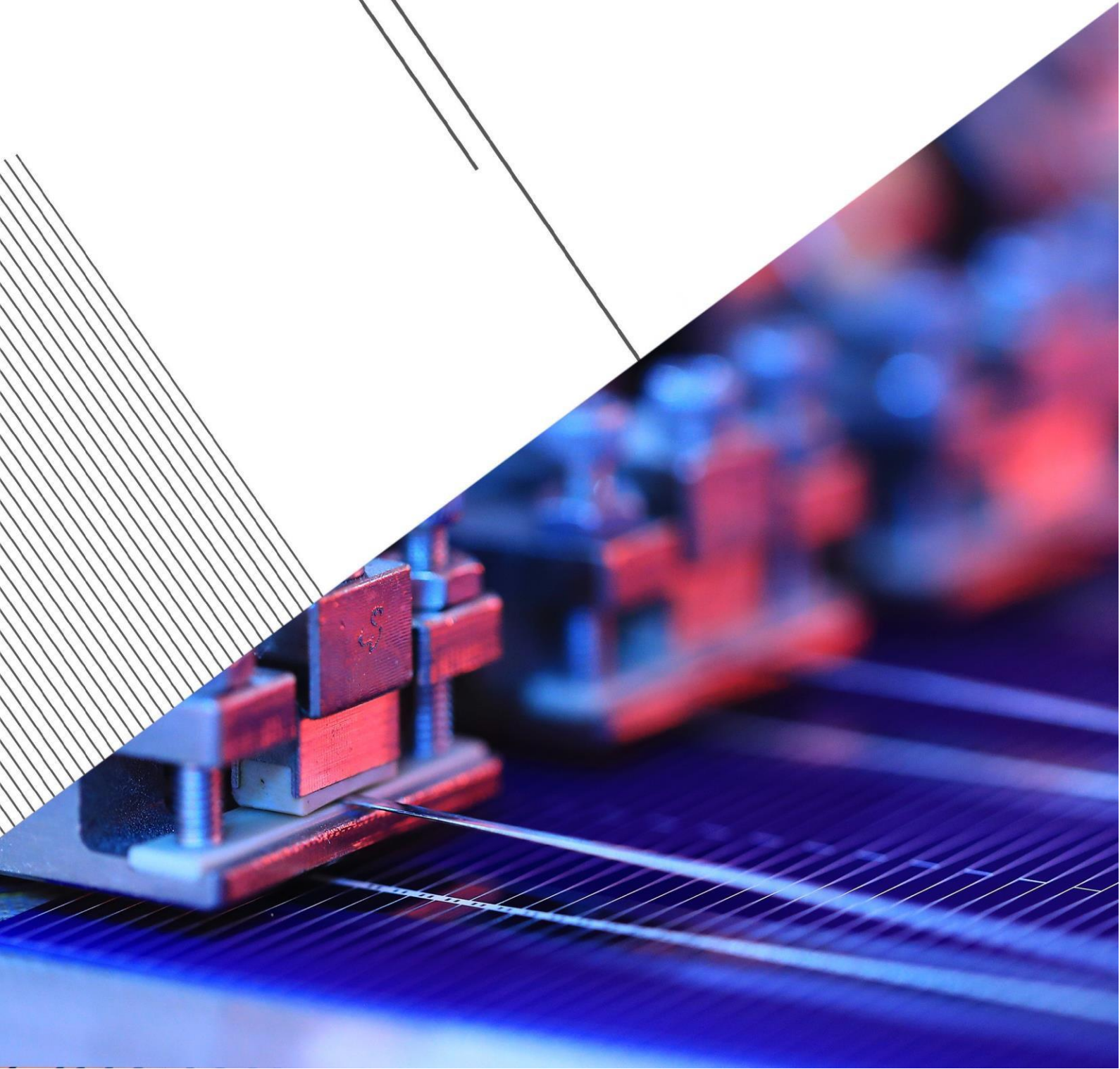




PRODUCT WARRANTY

PHOTOVOLTAIC MODULE



1. Limited Defect Warranty – Fifteen Years

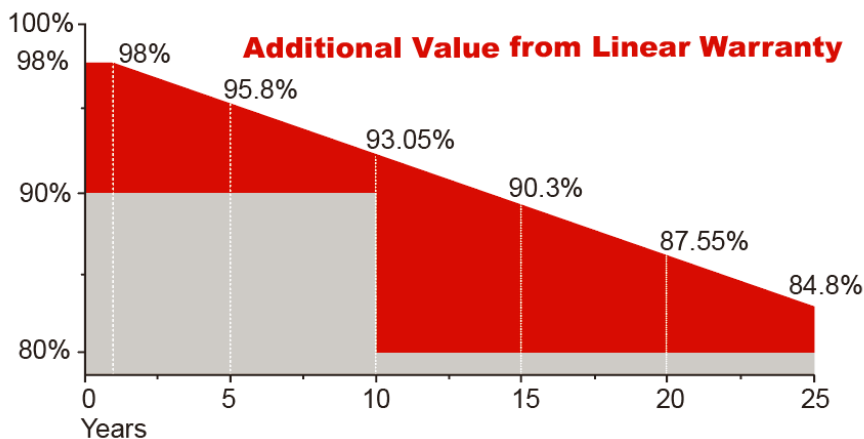
SEG Solar Inc. (“SEG”) warrants that, during the Defect Warranty Period, its photovoltaic solar PERC mono modules (the “Modules”), including factory-assembled DC connectors and cables, if any, will be free from defects in materials and workmanship under normal application, installation, usage and service conditions (the “Defect Warranty”). The “Defect Warranty Period” means the fifteen year (15) period starting on the earlier of (i) the date of delivery of the Module or (ii) 180 days following the manufacturing date of the Module.

2. Limited Peak Power Warranty - Twenty-Five Years

SEG warrants that, during the Power Warranty Period, the Peak Power Watts Pmax (Wp) plus Peak Power Watts Pmax (Wp) multiplied by the lower limit of the Power Output Tolerance Pmax (%) as specified in the relevant Module Data Sheet and measured at Standard Test Conditions (STC¹) for the Module shall not exceed the maximum loss of power output set forth in the table below (the “Power Warranty” and together with the Defect Warranty, the “Limited Warranty”). The “Power Warranty Period” means the twenty-five (25) year period starting on the earlier of (i) the date of delivery of the Module or (ii) 180 days following the manufacturing date of the Module.

LINEAR PERFORMANCE WARRANTY

For PERC Monocrystalline Modules², the maximum loss of power output from the Peak Power at STC at the end of each year of the Power Warranty Period shall not be greater than (i) 2.0% plus (ii) 0.55% multiplied by the number of years after the end of the first year of the Power Warranty Period (ending with no less than 84.80% at the end of the Power Warranty Period).



3. Warranty Remedies

(a) Notification

Buyer must provide written notice of any claims under this Limited Warranty within the earlier of (i) five (5) Business Days of becoming aware of the claim and (ii) the end of the Defect Warranty Period or Power Warranty Period, as applicable. All claims shall be filed by mailing a registered letter to the address of SEG listed below or sending a letter to the email account of SEG listed below. Together with the notification, Buyer must enclose

¹ “Peak Power at STC” is the power in Watt peak that a PV- module generates in its Maximum Power Point. “STC” is defined as follows:

(1) light spectrum of AM 1.5,

(2) an irradiation of 1000 W per m²

(3) 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 SEG valid at the date of manufacture of the PV-modules.

² This warranty is applicable to the following series of PV modules: SEG-XXX-BMZ-HV; SEG-XXX-BMA-HV; SEG-XXX-BMB-HV; SEG-XXX-BMB-TB; SEG-XXX-BMC-HV; SEG-XXX-BMC-TB; SEG-XXX-BMD-HV; SEG-XXX-BMD-TB.



photographic or empirical evidence of the claim with the corresponding serial number of the Module(s) and the date on which the Module(s) were delivered. Buyer shall preserve any defective Modules and shall not disassemble the Module or remove any components from the Module. SEG shall be entitled to access and inspect any defective Modules. Upon request of SEG, Buyer shall send any defective Modules to SEG or a third party designated by SEG for inspection.

As a condition to the Defect Warranty and the Power Warranty, Buyer must maintain complete and accurate records respecting the maintenance of the Modules and shall provide the maintenance log files to SEG upon request. The failure of Buyer to provide such maintenance records shall be a basis for rejection of any claim under the Defect Warranty and/or the Power Warranty.

(b) Remedies for Breach of Warranty.

(1) Limited Product Warranty. If the Modules fail to conform to the Defect Warranty, SEG will, at its option, (i) repair the Modules, (ii) replace the Modules with conforming Modules, or (iii) provide a refund equal to the lower of (x) the amount paid by Buyer for the Modules or (y) the cost of replacing the Modules with substitute modules. If SEG fails to remedy a defect in a Module within ninety (90) days following confirmation of the defect, Buyer may elect to engage a qualified third party to repair the Modules at the expense of SEG after five (5) Business Days written notice to SEG. Buyer shall assign any warranties for the Modules received from such third parties to SEG. Any Modules provided in replacement of defective Modules shall have the same or better technical specifications and power output as the replaced Modules. SEG may repair or replace Modules with newly refurbished parts that perform in a manner substantially equivalent to new parts.

(2) Limited Peak Power Warranty. If the Modules fail to conform to the Power Warranty, SEG will, at its option: (i) repair the Modules, (ii) replace the Modules with conforming Modules, (iii) pay to Buyer the amount of revenue that Buyer would have received pursuant to its power purchase or similar agreements for the difference between the warranted output power and the actual output power for the remainder of the earlier of (x) the term of the power purchase or similar agreement or (y) the Power Warranty Period, in either case discounted to net present value at the rate of 9% per annum; or (iv) supply Buyer with the number of additional Modules required to compensate for the difference between the warranted power output and the actual output power of the defective Modules.

SEG may replace a Module with another type of Module (different in size, color, shape or power) if SEG has discontinued producing the defective Module at the time of the claim.

4. Exclusions and Limitations

The Defect Warranty and the Power Warranty shall not apply to any Modules which have been directly or indirectly damaged due to:

- force majeure, including acts of God, war, riots, strikes, warlike conditions, plague or other epidemics, fire, lightning, flood, storms, ice, hail, corrosion or any other similar causes or circumstances beyond the reasonable control of SEG (“Force Majeure”);
- use of the Modules in environmental conditions outside the operating parameters set forth in the Specifications;
- alteration, misuse, abuse, breakage, neglect or accident by Buyer or any third party for which SEG is not responsible;
- failure to install the Modules in accordance with the installation manual and other written instructions provided by SEG;



- failure to operate the Modules in accordance with the operating and user manual and other written instructions provided by SEG;
- repair or modifications by Buyer or any third party not approved in advance by SEG; or
- power failure surges.

SEG 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 term and condition of sale, including this Limited Warranty, due to Force Majeure. In such cases, SEG's performance of this Limited Warranty shall be suspended without liability for the period commensurate with the delay caused by such Force Majeure.

Warranty claims will not be honored if the serial number of the Modules have been altered, removed or made illegible.

The warranties for any repaired, replaced or additional supplied Modules shall continue through the end of the Defect Warranty Period or the Power Warranty Period, as applicable, for the original Module.

SEG will pay for the shipping costs for delivery of repaired, replaced or additional Modules, including costs of customs clearance and transit insurance. Buyer shall be responsible for any costs associated with the removal of defective Modules and the installation and/or reinstallation of repaired, replaced or additional Modules provided in compliance with the terms of this Warranty. Unless otherwise requested by SEG, Buyer shall not return any defective Modules to SEG.

SEG reserves the right (i) to make changes and improvements in its equipment and products without incurring any obligation to make such changes and improvements to the Modules; and (ii) to change the terms of the warranty it provides to third parties in the future without incurring any right or obligation to make the revised terms applicable to the Modules.

5. Limitation of Warranty Scope

The remedies set forth in this Limited Warranty are the sole and exclusive remedies of Buyer and are expressly in lieu of and exclude all other express or implied warranties, including warranties of merchantability and of fitness for particular purpose, use (usage) or application, and all other obligations or liabilities on the part of SEG. SEG 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 any defects in the Module, or from usage or installation. To the maximum extent permitted under applicable law, under no circumstances shall SEG be liable for incidental, consequential or special damages, howsoever caused, including loss of usage, loss of profits, loss of production, and loss of revenues. SEG's aggregate liability, if any, in damages or otherwise, shall not exceed the amount paid by Buyer for the single unit of Module.

6. Disputes

In case of any dispute with respect to a warranty-claim or whether a claim is subject to an exclusion, SEG and Buyer shall engage a reputable international test-institute such as Fraunhofer ISE, TÜV Rheinland, TÜV SÜD or other independent third party designated by SEG to resolve the dispute. The decision of the test-institute shall be final and conclusive. If it is determined that a defect exists for which SEG is responsible under this Limited Warranty then SEG shall pay all fees and expenses of such test-institute. If it is determined that a defect does not exist or that SEG is not responsible for the defect under the Limited Warranty then Buyer shall pay all fees and expenses of such test-institute.

7. Warranty Transfer; Validity

This Limited Warranty is transferable to a third party upon prior written notice to SEG provided that the Module has not been installed or remains installed in its original location of installation. This



Limited Warranty will become null and void if the Module is installed outside of the United States or is removed and reinstalled after its initial installation. All customers, direct and indirect, are hereby notified of such potential nullification.

8. Contact

Please contact SEG customer service department at the following address for any claims relating to breach of the Limited Warranty set forth herein:

Address:

SEG Solar Inc.

973 Isom Road

San Antonio, TX 78216

Email: info@SEGSolar.com

9. Severability

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