

# LIMITED WARRANTY FOR CRYSTALLINE PHOTOVOLTAIC MODULES FROM HANWHA Q CELLS

Valid from June 1<sup>st</sup>, 2016

This limited warranty ("Limited Warranty") is issued by Hanwha Q CELLS Korea Corp., located at #1329 Daegum-ro, Geumwang-Eup, Eumseong-gun, ChungCheongbuk-do, Korea 369-901, or its successors or assigns ("HQC"), and applies exclusively to Q CELLS Modules (as defined in Section 1.a).

## 1. SCOPE

### a. Products

Q CELLS Modules are defined in this Limited Warranty as Q CELLS branded photovoltaic modules manufactured by HQC or its authorized manufacturers that are sold and installed within the United States, Canada, Mexico, Panama and Costa Rica and are of the following product type:

- Q.PEAK-G4.1
- Q.PEAK BLK-G4.1
- Q.PEAK-G4.1/SC
- Q.PEAK BLK-G4.1/SC
- Q.PEAK L-G4.2

### b. Beneficiary

The sole and exclusive beneficiary of this Limited Warranty is an end customer who purchases Q CELLS Modules from HQC or from any one of its authorized distributors ("Distributor") and is the initial installer of such modules into a specific photovoltaic (PV) solar energy project ("Project"), and any of the end customer's permitted successors or assigns ("Customer").

### c. Validity

This Limited Warranty takes effect on June 1<sup>st</sup>, 2016 and shall remain valid until a new version of warranty applying to Q CELLS Modules is released by HQC.

### d. Term

The term of this Limited Warranty ("Term") for the Customer begins on the date of initial delivery to the Customer ("Warranty Start Date") and ends at the end of the warranty periods set forth in Section 2. The performance of warranty services under this Limited Warranty does not extend the Term. HQC's obligations under this Limited Warranty are conditioned upon the Customer's compliance with its payment obligations for purchase of the applicable Q CELLS Module.

## 2. WARRANTY

### a. Product Warranty

Subject to the terms and conditions in this Limited Warranty, HQC warrants to the Customer for a period of twelve (12) years following the Warranty Start Date that the Q CELLS Modules, when installed, used, and serviced under normal operating conditions and in accordance with Q CELLS Module Installation Manual provided by HQC or Distributor: (i) will be free from defects in materials and workmanship that have a significant negative effect on the power output of the Q CELLS Modules; and (ii) will be free from potential-induced degradation in accordance to the test criteria: Cells at -1500V against ground, with conductive metal foil covered module surface, 25°C, 168h, (collectively, "Product Defect"). The Product Warranty does not warrant a specific power output of the Q CELLS Modules, which shall be exclusively covered under the Performance Warranty in Section 2.b.

Product Defect does not include any cosmetic changes or other changes in the Q CELLS Modules' appearance, including but not limited to, any color changes, mold and normal wear and tear.

### b. Performance Warranty

Subject to the terms and conditions of this Limited Warranty, HQC warrants to the Customer that the Q CELLS Modules are manufactured to (i) produce a power output of at least ninety-eight percent (98%) of the minimum power output specified in the applicable module data sheet during the first twelve (12) months following the Warranty Start Date, and (ii) have a yearly maximum decrease (or degradation) of power of not more than six tenths of one percent (0.6%) from start of the second (2<sup>nd</sup>) twelve (12)-month period following the Warranty Start Date until the end of such twelve (12)-month period, and repeated for each successive twelve (12)-month period until the twenty-fifth (25<sup>th</sup>) anniversary of the Warranty Start Date, (collectively, "Performance Warranty"). As an example, the Q CELLS Module will be manufactured to have a minimum power output of eighty-three point six percent (83.6%) of the minimum power output specified in the applicable module data sheet at the end of the term of this Limited Warranty. Failure to meet the Performance Warranty is defined herein as a "Performance Defect." In the event of a Performance Defect claim, the power output of any Q CELLS Modules described in this Section 2.b shall be measured by HQC under the Standard Test Conditions ("STCs") defined in the IEC standards EN 61215 and 60904-3 in effect as of the Warranty Start Date.

## 3. EXCLUSIONS

The Limited Warranty shall not apply to any Q CELLS Modules affected by the following events or conditions:

1. usage, transport, storage, installation and/or handling in any manner that fails to strictly comply with the Installation Manual and the Packaging and Transportation Information sheet applicable to the Q CELLS Modules;
2. system or components of such system that are of a design, configuration or installation that does not meet the standards typically used by experienced professionals in the industry;
3. incorrect, improper or inadequate service, operation or maintenance of the Q CELLS Modules or of the Project, or any normal wear and tear of the Q CELLS Modules;
4. damage caused by extreme environmental sources of impact, including, but not limited to (i) acid rain or snow, (ii) blowing sand, (iii) saline air, (iv) pollution of any kind in the air, soil or groundwater, (v) unusual oxidation levels, (vi) mold, or (vii) any nearby fire, explosion, smoke or charring;
5. damage caused by acts of nature or acts of God, including, but not limited to, lightning, hail, frost, snow, storms, tidal waves, floods, extreme temperatures, earthquakes, typhoons, tornadoes, volcanic eruptions, meteorites, ground motions, earth fissures or landslides;
6. damage caused directly or indirectly by acts of violence or intervention by third parties or external forces, including but not limited to, misadventure, riots, war, insurrection, communal violence, unin-

tentional damage by third parties, vandalism, damage caused by animals, and/or acts or omissions by third parties beyond the reasonable control of HQC;

7. damage to the Project in which the Q CELLS Modules are installed caused by external factors, including, but not limited to, voltage fluctuations, power peaks, excess current, power failure, poor electrical or mechanical engineering work, or other faults occurring in a power supply system with or without mains connection, whether or not such faults in the power supply system was contributed to by any act or omission of the Customer;
8. Q CELLS Modules are modified or used in processes involving other products, without obtaining the prior written consent of HQC;
9. the serial number or product label has been removed, changed, deleted or made unrecognizable;
10. the Q CELLS Modules are used on any mobile carriers (such as motor vehicles or ships);
11. the conditions of use at the Project, at any time, exceed the specifications set out in the applicable module data sheet; and/or
12. the Customer fails to notify the Distributor or HQC of a Product Defect or Performance Defect within 30 days of the initial discovery or prior to the end of the applicable warranty period set forth in Section 2.

#### 4. WARRANTY CLAIMS

##### a. Customer Inspection

The Customer must inspect the Q CELLS Modules for visible defects when delivered. The Customer must notify HQC of any defects immediately, but in no event later than thirty (30) days any such defects were discovered during such visible defect inspection process.

##### b. Warranty Claims

The Customer will be entitled to make claims under this Limited Warranty ("Warranty Claims") only if the Customer has provided documented evidence sufficient to prove that the malfunctioning or non-conformity of the Q CELLS Modules resulted exclusively from a Product Defect or Performance Defect covered by this Limited Warranty. If the Warranty Claim is based on glass breakage, then the Customer shall conduct a static load calculation on the substructure.

##### c. Warranty Claim Compliance

The Customer must comply with the HQC's then-current Return Merchandise Authorization ("RMA") process to make any Warranty Claim. HQC will not accept any Warranty Claims not in compliance with the RMA or Warranty Claims that use the delivery of any unauthorized return shipments of Q CELLS Modules.

##### d. Warranty Claim Procedure

The Customer is responsible for shipping the Q CELLS Modules to HQC for evaluation at the Customer's expense. HQC shall pay the costs of a technical inspection and, in the event that the warranty claim is confirmed by such inspection, transportation. Otherwise, the Customer shall be charged with these costs. To make a Warranty Claim, the Customer must submit the original receipt or invoice, which bears the date of the purchase and of the delivery, the serial numbers of the relevant Q CELLS Modules and the name of the authorized distributor or seller.

##### e. Ownership Interest

The Q CELLS Modules sent to HQC in the course of the RMA process shall remain the property of the Customer until any inspection has been completed and HQC provides a replacement or refund. At the time any re-

fund or delivery of a replacement Q CELLS Module to the Customer takes place under this Limited Warranty, the ownership interest of the defective module passes to HQC. Any repaired, replaced or additionally supplied modules will be warranted only for the remainder of the original warranty period applicable to the original Q CELLS Modules.

#### 5. REMEDIES

##### a. Product Defect Remedy

If HQC determines, following a Warranty Claim, that a Q CELLS Module has a Product Defect, then HQC shall, at its discretion, within a reasonable time: (i) remedy or repair the Product Defect; (ii) provide a replacement module in place of the Q CELLS Module with the Product Defect; or (iii) provide the Customer monetary compensation equal to the purchase price of the Q CELLS Module subject to an annual four percent (4%) depreciation rate on the original purchase price as evidenced by the invoice produced by the Customer; provided, however, if the Customer fails to produce an original invoice, then the price shall be based upon the then-current per watt market price of a comparable PV module in a similar market and the date shall be based upon the date of manufacture according to the HQC records.

##### b. Performance Warranty Remedy

If HQC determines following a Warranty Claim that a Q CELLS Module has a Performance Defect, then HQC shall, at its discretion, within a reasonable time: (i) remedy or repair the Performance Defect; (ii) provide a replacement module in place of the Q CELLS Module that has the Performance Defect; (iii) make up the difference to the guaranteed power output by providing additional modules; or (iv) provide to the Customer monetary compensation equal to the portion of the purchase price of the Q CELLS Module that is in the same proportion to the purchase price as the actual measured power is to the guaranteed power subject to an annual four percent (4%) depreciation rate on the original purchase price as evidenced by the invoice produced by the Customer; provided, however, if the Customer fails to produce an original invoice, then the price shall be based upon the then current per watt market price of a comparable PV module in a similar market and the date shall be based upon the date of manufacture according to the HQC records.

##### c. Sole and Exclusive Remedy and Obligation

THE REMEDIES SET FORTH IN THIS SECTION 5 ARE HQC'S SOLE AND EXCLUSIVE LIABILITY AND OBLIGATION, AND THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES, FOR ANY PRODUCT DEFECT OR PERFORMANCE DEFECT IN ANY Q CELLS MODULE. THE REMEDY EXTENDED TO THE CUSTOMER SPECIFICALLY EXCLUDES ANY REIMBURSEMENT FOR THE COSTS OR EXPENSES INCURRED IN THE DISMANTLING OR INSTALLATION OF THE Q CELLS MODULES, REPLACEMENT MODULES OR PARTS, OR LOSS OF POWER.

#### 6. WARRANTY LIMITATIONS

THE WARRANTIES SET FORTH IN THIS LIMITED WARRANTY ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, REGARDING ANY Q CELLS MODULES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT.

HOWEVER, IF A Q CELLS MODULE IS SOLD AS A CONSUMER PRODUCT, TO THE EXTENT REQUIRED BY APPLICABLE LAW, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT ARE LIMITED TO THE PERIODS OF THE LIMITED PRODUCT AND LIMITED PERFORMANCE WARRANTIES SET FORTH ABOVE, OR SUCH SHORTER PERIOD AS REQUIRED BY APPLICABLE LAW. THIS LIMITED WARRANTY GIVES THE CUSTOMER SPECIFIC LEGAL RIGHTS, AND THE CUSTOMER MAY ALSO HAVE OTHER RIGHTS WHICH VARY FROM STATE TO STATE. HQC IS NOT RESPONSIBLE OR LIABLE IN ANY WAY 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 ANY Q CELLS MODULES UNLESS OTHERWISE STIPULATED BY MANDATORY STATUTORY LAW. IN PARTICULAR, HQC'S LIABILITY FOR FRAUDULENT OR WILLFUL INTENT, GROSS NEGLIGENCE OR PERSONAL INJURY, IN EACH CASE, UNDER APPLICABLE MANDATORY LIABILITY LAW SHALL REMAIN UNAFFECTED.

EXCEPT AS PROVIDED IN THIS SECTION 6, THE Q CELLS MODULES, THE PRODUCT DOCUMENTATION AND ALL INFORMATION ARE PROVIDED ON AN "AS IS" BASIS.

THE CUSTOMER ACKNOWLEDGES THAT THE FOREGOING LIMITATIONS ON LIABILITY ARE AN ESSENTIAL ELEMENT OF THE RELEVANT SALES AGREEMENT BETWEEN THE PARTIES AND THAT IN THE ABSENCE OF SUCH LIMITATIONS THE PURCHASE PRICE OF THE Q CELLS MODULES WOULD BE SUBSTANTIALLY HIGHER.

SOME JURISDICTIONS LIMIT OR DO NOT PERMIT DISCLAIMERS OF LIABILITY, SO THIS PROVISION MAY NOT APPLY TO THE CUSTOMER IN SAID JURISDICTION. SOME JURISDICTIONS DO NOT ALLOW LIMITATIONS OR THE EXCLUSION OF DAMAGES SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO THE CUSTOMER IN SAID JURISDICTION. THE CUSTOMER MAY HAVE SPECIFIC LEGAL RIGHTS OUTSIDE THIS LIMITED WARRANTY FOR Q CELLS MODULES, AND MAY ALSO HAVE OTHER MANDATORY RIGHTS THAT VARY FROM JURISDICTION TO JURISDICTION, WHICH SHALL REMAIN UNAFFECTED.

IN NO EVENT WILL HQC BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, EXEMPLARY, SPECIAL OR INCIDENTAL DAMAGES, INCLUDING LOSS OF USE, LOST REVENUE AND/OR LOST POWER, ARISING FROM OR RELATING TO THIS WARRANTY OR ANY Q CELLS MODULE OR ANY REPLACEMENT OR ADDITIONAL MODULE SUPPLIED BY HQC HEREUNDER, EVEN IF HQC IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES.

THE TOTAL LIABILITY OF HQC, ANY DISTRIBUTOR, AND/OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS ARISING FROM OR RELATING TO THIS LIMITED WARRANTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, WILL NOT EXCEED THE AMOUNT RECEIVED BY HQC FOR THE Q CELLS MODULE THAT IS THE SUBJECT OF THE CLAIM OR DISPUTE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO THE CUSTOMER IN SAID JURISDICTION.

## 7. ASSIGNMENT

### Customer Assignment

Customer Assignment. Customer may assign this Limited Warranty for any Q CELLS Module to a new owner of the entire photovoltaic system in which such module is originally installed, provided that such system remains intact in its original place of installation. This Limited Warranty may not otherwise be assigned or transferred, and any attempt to assign or transfer in violation of this Section 7 shall be null and void.

## 8. MISCELLANEOUS

### a. Survival

If any provision of this Limited Warranty terms and conditions is held to be invalid, illegal or unenforceable in any respect, such provision will be changed and interpreted to accomplish the objectives of such provision to the greatest extent possible under applicable law and the remaining provisions will continue in full force and effect.

### b. Governing Law

All matters arising from or relating to this Limited Warranty shall be governed by the laws of the State of California, without regard to its choice of law rules. The UN Convention on the International Sale of Goods shall not apply.

### c. Waiver of Jury Trial; Jurisdiction

Any dispute, controversy or claim arising out of or relating to this Limited Warranty or any of its provisions, or the breach, termination, interpretation, enforcement or validity thereof, including any dispute hereby is waived to the fullest extent permitted by applicable Law any right it may have to a trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Limited Warranty. Any dispute, controversy or claim arising out of or relating to this Limited Warranty or any of its provisions, or the breach, termination, interpretation, enforcement or validity thereof, including any dispute irrevocably is submitted to the jurisdiction of the courts of the State of California and the federal courts of the United States of America located in the State of California solely in respect of the interpretation and enforcement of the provisions of this Limited Warranty.