

WeCo S.r.l.

4K4LT LIMITED WARRANTY IN PRODUCTION FROM OCTOBER 2022

This Limited Warranty ("Warranty") set forth below, applies to 4K4LT batteries (hereinafter collectively "Products" or individually "Product") manufactured by WeCo S.r.l. (hereinafter "WeCo" or "Seller") for the Buyer customer (hereinafter "Buyer").

The main purpose of this document is to define the conditions and procedures relating to the warranty policy applied to indoor household products combined with a compatible solar charger system.

Preamble

Lithium batteries, when used and maintained as prescribed, are safe and reliable products; However, if used in a manner that does not comply with the requirements contained in the use and maintenance manual provided and if subjected to stress or external agents, they may lose the minimum safety characteristics. As a result, they may no longer be able to protect themselves, function correctly and maintain their designed performance.

The purchaser is required to comply with all the instructions contained in the manuals provided at the time of purchase (downloadable from <https://wecobatteries.com/download-area/> website) as well as with the conditions stated herein.

Additionally, it is also prohibited to install the batteries near fuels, flammable materials, gas storage or gas boilers, or in environments that do not meet the minimum legal or regulatory requirements of your country.

1. European Warranty against Factory Defects

The warranty against manufacturing defects starts from the date of manufacture of the battery, if and to the extent that the conditions set out in the following articles have been complied with. If the products have been purchased within the European Community, the warranty is defined and regulated in accordance with current European Law; if the purchase took place in Italy, the reference legislation will be only and only the Italian one. Only in the event that the Buyer is a consumer, the specific regulations of greater favor provided for this category of subjects will be applicable.

2. Ancillary Performance Guarantee

The warranty on the performance of the lithium cells of the battery, in addition to that referred to in point 1 and voluntarily provided by the manufacturer, is valid for 120 months from the initial date of installation or 120 + 2 months from the date of manufacture or 6,000 charge/discharge cycles, whichever comes first, and has as its object the maintenance of a residual capacity of the battery, at the end of the aforementioned period, **not less than 65% provided that the product is installed and used in compliance with the use and maintenance manual of the product as well as the provisions of art. 6 and does not incur the exclusions and forfeitures referred to in art. 5.**

3. List of equipment included in this warranty

| Battery Serial Example | Battery Capacity |
|----------------------------------|------------------|
| 4K4LT (S/N code WE-4K4L-22*****) | 86Ah/4.4kWh |

4. Limitations and Liability

WECO's liability under this warranty is limited, at WeCo's sole discretion, to:

- a) replacement, with a product equivalent to the remaining capacity at the date of the request,
- b) repair,
- c) compensation calculated based on residual capacity/expected life.

In the event of a claim for credit, the battery sent to WeCo for capacity checks will be retained by WeCo.

The compensation will be calculated by multiplying the current average price by the lower value derived from the number of months of actual use of the battery and the value derived from the charging cycles, in relation to the performance guarantee provided by WeCo pursuant to Article 2 (120 months or 6,000 cycles, within 120 months), based on the following formula:

Average current price to specialized distribution¹ X MINIMUM [(1-months of use/120); (1-cycle/6000 battery)]

Replaced or repaired Products will be warranted for the remainder of the warranty life of the replaced battery. The act of substitution will not result in the renewal of the original warranty duration, without exception.

¹ *Average current price calculated on the basis of similar products available from battery manufacturers at the time of the request and in any case not higher than the purchase price. If comparable prices are not available, the average price per kWh of similar products found in the customs records of the country of origin applies.*

The Seller is not responsible for any direct or indirect damages related to the failure to achieve performance, unproductive shutdown of the system, or any other damages resulting from any malfunction, loss of battery use, loss of profit and interruption of any type of service or supply. Likewise, WeCo shall not be liable for any consequential, incidental, indirect, special, exemplary, or punitive damages arising out of or related to this warranty, regardless of the form of the action and whether WeCo has been advised or potentially anticipated by the other party of the possibility of such damages.

WeCo's liability under this warranty shall in no event exceed the amount paid by the Buyer

5. Disclaimer of Warranties

The warranties referred to in points 1 and 2 above do NOT cover damage to the Products caused, even concurrently, by one or more of the following activities or omissions, which automatically entail the forfeiture of both the legal warranty for manufacturing defects and the ancillary performance warranty:

1. Transport and/or storage not in accordance with the manual.
2. Opening of the lid by non-WeCo approved technicians, or in any case without specific written authorization, including the removal or damage of the warranty stamp.
3. Removal or damage to the product label/nameplate or inability to read the serial number.
4. Failure to comply with the installation and use specifications as well as the instructions contained in the respective Product manuals.
5. Presence of activated Log warrants (e.g. Extreme Under Voltage, over current etc.) in BMS memory, viewable via APP or BMS software that can be downloaded free of charge.
6. Incorrect wiring of incompatible batteries or batteries of different power and/or type and/or brand, use of cables of non-compliant cross-section and quality.
7. Reverse polarity and/or short circuit, damage to connector or BMS fuses.
8. Moving the battery from its home position without performing a new commissioning test and certification of the system by a licensed and qualified electrician, as per local regulations.
9. Failure to timely disconnect the battery from the system in the presence of inverter or battery alarms.
10. Failure to connect the BMS via CAN to the inverter (The battery must not be used without the BMS/CAN connected and recognized by the inverter).
11. External influences, including mechanical or electrical stresses (overvoltages, high inrush current, lightning, floods, fires, falls, accidental breakage, opening the lid and manually operating the contactor, etc.)
12. Installation in a technical room that is not suitable, not ventilated and does not comply with the IP20 degree of protection; presence of oxidation, condensation damage or pollution from liquids and/or salts, vapors of acidic solvents, etc., which may cause damage to circuits and protections.
13. Use of incompatible or non-WeCo approved inverters, rectifier, chargers, BMS, etc., even if used temporarily.
14. Failure to protect against liquids, including atomized liquids, gases or vapors of any nature, from direct or indirect impacts of water or other liquids which, in addition to causing immediate loss of warranty, may be dangerous to users.
15. Installation in an environment that is not suitable for use. An indoor room, closed and thermoregulated, away from heat sources and sunlight, is considered suitable, as the glass surfaces contribute to the rise in the temperature of the cells, causing them to decay prematurely.

After the purchase of the product, WeCo has the right to publish a "Critical Firmware Update" on the website and on the monitoring and control cloud platform and/or send by e-mail to the address of the registered Professional Buyer.

It is the Purchaser's responsibility to ensure that any Critical Firmware Update is implemented through its sales channels for each individual battery within 60 days of receipt of the Critical Firmware Update. Failure to do so may result in the batteries malfunctioning and rendering the warranty ineffective.

6. Mandatory additional conditions for installation and operation for the purposes of the operation of the performance guarantee referred to in art. 2

The ancillary performance guarantee referred to in art. 2 above is recognized only and only on condition that all the following further, more restrictive requirements have also been complied with, of which the Buyer must provide proof:

- 1) The battery is to be used for the integration of renewable energy storage systems.
- 2) Site preparation and/or maintenance and installation were carried out in accordance with the requirements of the manual. Especially:
 - a) The battery must be installed indoors in a dry, ventilated room capable of maintaining the prescribed operating conditions.
 - b) The operating battery temperature detected by the BMS must not have fallen below +10°C and exceeded +40°C.
 - c) DOD 80% and Charge and discharge current not exceeding 0.5C.
 - d) The battery must not be installed in a humid or unhealthy environment and must not be in any way contaminated by liquids, vapors, condensation or dust that can pollute the connections and functionality of the control electronics and/or communication with the inverter.

- e) The battery must always be connected via CAN BUS communication with an approved inverter.
- f) The battery must be kept in perfect condition to prevent dirt build-up and oxidation build-up on surfaces and ventilation grilles.
- g) The maximum altitude must not exceed 3000 meters above sea level.
- h) The battery should be installed in a vibration-free environment.

It should be noted that, to maintain the performance guarantee, it is necessary to comply with both the conditions set out in art. 5 and the additional ones referred to in this art. 6; On the other hand, the product warranty is subject only to the limitations and exclusions provided for by art. 5. For both types of warranty (legal and ancillary), it is in any case mandatory to comply with the instructions contained in the installation and use manuals.

7. **Natural decay**

Energy decay is not linear and may be greater in the first 5 years or 1500 cycles than the decadal weighted average.

The battery, due to its chemistry, is subject to natural capacity degradation that can be greater during the first 1000 cycles and/or 12-18 months than during the remaining cycles. The battery degrades even when not in use and even during storage in the warehouse.

These circumstances cannot in any way be considered a quality and/or performance defect of the product.

8. **Force majeure**

The warranties will also not apply to damage caused by force majeure events such as (but not limited to) floods, earthquakes, fires, fumes, power surges, lightning, pest/rodent damage, corrosion, exposure to water or other substances gaseous and/or liquid chemicals, nor in relation to the progressive energy decay resulting from normal operating conditions.

9. **Standard Test Conditions (STC) for Capacity Measurement**

In order to activate the warranty referred to in point 2 above, and without prejudice to compliance with the operating conditions listed in paragraphs 5 and 6, the performance of the battery cells must be measured according to the procedure specified below to be carried out at WeCo or a laboratory accredited by WeCo:

- Place the battery in the climatic chamber for no less than 30min: before starting the test phase, the temperature of the cells measured by the BMS must be 25°C +/- 1° C.
- Connect directly to the negative and positive terminals of the cell array and discharge with a constant current of 0.5C until the array reaches 40 VDC.
- Connect directly to the negative and positive terminals of the cell array and charge with constant current of 0.2C until the array reaches the BMS protection limit.
- Wait 30 minutes, then restart the charging process at constant voltage with 0,05A until the BMS reaches 100% or the limit of OV level 1 again.
- Repeat the above discharge/charge cycle until the voltage difference between the cells is less than 0.05V.
- Allow the array to rest until the cell temperature, as measured by the BMS, is 25°C +/- 1°C.
- When the cells reach 25°C +/- 1°C, connect directly to the negative and positive terminals of the cell array and discharge them with a constant current of 0.5C until the array reaches 40V, and measure the capacity at the negative and positive terminals of the cell array using a certified DC meter with 1 second datalogger frequency.

10. **Applicability and scope of operation of the warranty conditions**

These warranty conditions are applicable to all purchases made after their issuance, or from the date indicated at the bottom of this document and will cease to be effective for products sold after the entry into force of any other ones that WeCo may decide to draw up in the future.

Unless WeCo has issued a specific written declaration in addition to or modifying the provisions herein, the Seller is not subject to any type of obligation or liability other than or additional to those indicated above and/or provided for by mandatory laws with regard to the product sold.

11. **Claim Procedures Warranty and/or Repair/Replacement**

If, during the warranty period, the Purchaser discovers any manufacturing defect or suspects that the battery does not conform to the performance warranty, the Purchaser shall immediately report the defect by providing the following information:

- a) A brief description of the defect, including the date when the problem occurred.

- b) The serial number of the battery.
- c) The type of inverter connected to it.
- d) A copy of the purchase invoice.
- e) The date of installation.
- f) Installation images (minimum 5 images from different angles).
- g) Permission to access the battery monitoring account, if any.

The purchaser shall also provide WeCo with access to the battery, either in person or remotely via a laptop provided by the customer for the installation of WeCo software for analysis operations.

WeCo will determine within a reasonable time and within 30 days whether the reported defect is eligible for coverage under the Limited Warranty. If it is determined from the information received that the reported defect is not covered under the Limited Warranty, WeCo will inform the Buyer explaining the reasons for the non-coverage or non-applicability.

If, on the other hand, WeCo detects the need to analyze the battery in order to verify its current condition, it will require the customer to send the battery to WeCo's headquarters or to a laboratory indicated by WeCo. The battery must be shipped within 10 days from the date of WeCo's request and must be made in accordance with UN38.3 regulations.

During the execution of the tests, complete charging and discharging phases will be necessary, these in the case of batteries not correctly used by the customer, could lead to the destruction of the same, as a consequence of the tests. In this case, WeCo will inform the customer that the warranty is not applicable.

If, as a result of the tests carried out, and within 30 days of receipt of the battery, it is determined that the battery is eligible for coverage under the Limited Warranty, WeCo will notify the purchaser proposing as described in Article 2 of this Limited Warranty.

The product sent by the Buyer, in case of compensation or replacement, will be retained by WeCo for recycling or disposal.

12. Repairs not covered by warranty

In the event that the warranty is not operative, WeCo will provide the Buyer with a repair proposal, the price of which will vary according to the material cost used for the repair, labor costs, any travel expenses, transport costs, any customs duties and disposal costs, if applicable. Where available, the manufacturer will be entitled to propose the use of used or refurbished products.

It should be noted that, if violations of the installation and use regulations may lead to safety risks, such as in the case of installation in an external or otherwise unsuitable place, or exceeding the maximum or minimum voltage limits, WeCo may refuse to proceed with the repair and the product must be disposed of.

13. Applicable Law and Jurisdiction

This warranty is subject to Italian law. The exclusive jurisdiction for any dispute relating to the interpretation, execution and termination of sales contracts shall be that of Florence.

Firenze, 25/10/2023