

Manufacturer's Warranty for United Kingdom for the VARTA System pulse and its battery modules

#### Version dated: 19/04/2018

## 1. Preface

- 1.1. VARTA Storage GmbH, Nördlingen, Germany, registered in the Commercial Register of the Augsburg District Court under register number HRB 27028 ("VARTA Storage") provides, as manufacturer, the following Manufacturer's Warranties to the End Customers of the VARTA energy storage system pulse and its Battery Modules ("VARTA Systems") manufactured by it, and purchased and installed in United Kingdom by End Customers.
- **1.2.** For the purpose of these warranties a "Battery Module" consists of a **battery**, which is connected and assembled with an **electronic system** in a casing in such a way that both form a complete unit, which is not to be separated nor opened by the End Customer.

For the purpose of these warranties "End Customer" is every person who is the owner of a VARTA System and who did not acquire it in order to resell it or to install it in the context of their commercial or self-employed professional activity with a third party. This is applicable whether or not the VARTA System was purchased directly from VARTA Storage or from a third party.

**1.3.** In addition to the claims arising from these warranties, the End Customer is entitled to product liability claims as well as defect claims. The vendor may be a person other than VARTA Storage. These rights, which under certain circumstances may be more beneficial for the End Customer, are neither replaced nor restricted by these warranties.

## 2. Warranty Protection

## 2.1. Warranty for Batteries in Battery Modules

VARTA Storage provides the following warranties for batteries in Battery Modules:

## 2.1.1. Maintenance Warranty for Batteries in Battery Modules

VARTA Storage provides the following maintenance warranty

- As long as the End Customer has operated the VARTA System Without Interruption from the initial commissioning on (see Figure 2.4.1) (Warranty Condition System Operation) and it has been connected Without Interruption (see Figure 2.4.1) to the Internet (Warranty Condition Internet Connection) Without Interruption; and
- The End Customer has entered into the "Online Services Agreement" with VARTA Storage at the latest without delay after the initial commissioning and has used the relevant online services for the VARTA System Without Interruption (see Figure 2.4.1) (Warranty Condition Online-Services); and
- Also the **further warranty conditions** as set out in Figure 3 are fulfilled; and
- No reason for exclusion as set out in Figure 4 is given:

A warranty claim exists if the **battery in a Battery Module** becomes defective, within **ten years** from the date of installation of the Battery Module or before **10,000 Full Cycles** (see Figure 2.4.2) is reached, whichever occurs first.

For the purpose of this maintenance warranty a battery is "defective" if its capacity fails to reach **80% of its nominal capacity**. (The nominal capacity of a battery is 3.3 kWh (VARTA pulse 3) / 6.5 kWh (VARTA pulse 6).)

Note: For technical reasons, VARTA Storage restricts the discharge depth of the batteries to 90%. The effective capacity of a battery is therefore 90% of the nominal capacity.

In the case of a **warranty claim**, the End Customer may require VARTA Storage to repair the defective battery (maintenance warranty). A battery is repaired when VARTA Storage ensures that at least 80% of the nominal capacity of the battery is available for use again. For the purposes of maintenance, VARTA Storage may, for example, exchange the Battery Module.

#### 2.1.2. Replacement Value Warranty for Batteries in Battery Modules

In addition the maintenance warranty as set out in Figure 2.1.1, VARTA Storage offers a replacement value warranty for batteries in Battery Modules as set out in Figure 2.1.2, if the further warranty conditions as set out in Figure 3 are fulfilled and no reason for exclusion as set out in Figure 4 is given. These two warranties have different conditions. If the conditions for both warranties are met, the End Customer may decide freely which of the two warranties s/he will make a claim under. (The simultaneous assertion of both warranty claims is excluded).

A warranty claim exists when a **battery in a Battery Module** is defective, within **ten years** from the date of installation of the Battery Module or before **10,000 Full Cycles** (see Figure 2.4.2) have been reached, whichever occurs first.

For the purpose of this replacement value warranty a battery is "defective" if its capacity fails to reach **80% of its nominal capacity**. (The nominal capacity of a battery is 3.3 kWh (VARTA pulse 3) / 6.5 kWh (VARTA pulse 6).)

Note: For technical reasons, VARTA Storage restricts the discharge depth of the batteries to 90%. The effective capacity of a battery is therefore 90% of the nominal capacity.

In the case of a warranty claim, the End Customer may require that VARTA Storage replace the time value of the defective battery (replacement value warranty). The time value is calculated according to an annual linear depreciation over a time period of ten years from the date of installation of the Battery Module. The basis of the calculation is the pre-tax purchase price (minus any discounts), which the End Customer has, according to the invoice, paid for the battery in a Battery Module. If the pre-tax purchase price is not set out on the invoice and has not otherwise been agreed upon with the vendor, the basis of the calculation is the respective VARTA Storage non-binding recommended retail price on the day of the relevant purchase. From the pre-tax purchase price, the depreciation is calculated on a monthly basis, with a depreciation rate of 1/84 or approximately 1.19% per month.

# 2.2. Warranties for the VARTA System (without Battery Modules) and the electronic system in the Battery Modules

VARTA Storage provides the following maintenance warranty for the VARTA System (without Battery Modules) and the electronic system in the Battery Modules, if the further warranty conditions as set out in Figure 3 are fulfilled and no reason for exclusion as set out in Figure 4 is given:

A warranty claim exists if the **VARTA System (without Battery Modules)** is defective, within **ten years** from the date of the installation of the VARTA System. A VARTA System (without Battery Modules) is "defective" in the sense provided for in this warranty if it no longer has the properties which the End Customer may expect according to the VARTA Storage product description.

A warranty claim also exists if the **electronic system in the Battery Module** is defective, within **ten years** from the date of installation of the Battery Module or before **10,000 Full Cycles** (see Figure 2.4.2) have been reached, whichever occurs first. The electronic system in a Battery Module is "defective" in the sense provided for in this warranty if it no longer has the properties which the End Customer may expect given the VARTA Storage product description.

In the case of a warranty claim, the End Customer may require VARTA Storage to repair the VARTA System (without Battery Modules) or the electronic system in the Battery Module (maintenance warranty):

- A VARTA System (without Battery Modules) is repaired when it once again has the properties which the End Customer may expect given the VARTA Storage product description. For the purpose of maintenance, VARTA Storage may, for example, exchange the VARTA System (without Battery Modules) for a system of the same type and the same quality.
- The electronic system in a Battery Module is repaired when it has been restored to the properties which the End Customer may expect given the VARTA Storage product description. For the purpose of maintenance, VARTA Storage may, for example, exchange the Battery Module.
- **2.3.** Repairs are undertaken at the cost of VARTA Storage (to do this VARTA Storage may instruct an electrical business, whose employees are qualified by means of a certification training by VARTA Storage to repair energy storage systems).
- 2.4. The following terms have the following meaning in this warranty:
- **2.4.1.** "Without Interruption" means that the operation of the VARTA System, the Internet connection or the use of the online services, respectively, has occurred continuously and without interruption; "Without Interruption" is also considered to be given where:

- The operation of the VARTA System or the Internet connection, respectively, is only temporarily disrupted, that is for not longer than 24 hours, due to maintenance and service works; in the case of longer disruptions for such works, an uninterrupted use only then exists when this interruption occurred with or by way of the approval of VARTA Storage;
- The operation of the VARTA System is temporarily not possible due to a defect in the sense given in this warranty; or
- The Internet connection or the use of the online services is not possible, without the End Customer being responsible for this.
- **2.4.2.** A "Full Cycle" in the sense provided for in this warranty is when, following the discharge of the usable capacity of the battery in the Battery Module, it is recharged back to a full charge. For the calculation of Full Cycles, partial cycles are added together. "Partial Cycles" are the amount of charging volume realised up until a change in polarity of the electrical current, where a complete charge is not achieved.
- **2.5.** The above mentioned warranty deadlines are not extended where services are rendered in the case of a warranty claim and in particular are not extended where a VARTA System or Battery Modules are exchanged. In this case, the warranty period also does not recommence.

#### 2.6. The warranty protection is not applicable to:

- Damage to VARTA Systems or Battery Modules which were caused by a third party (for example during installation or maintenance);
- Wear and tear elements (specified in more detail in the document "Service and Maintenance" provided with the unit);
- Damage caused to other things or objects by the VARTA System or the Battery Modules;
- Display systems and display Battery Modules;
- Damage to VARTA Systems or Battery Modules, respectively, which were caused by force majeure or natural catastrophes (for example water, frost, smoke and fire).

## 3. Warranty Conditions

The warranties are only applicable if the following (cumulative) conditions are fulfilled:

- **3.1** The VARTA System must have been installed in a **workmanlike manner**, at the End Customer's premises **in United Kingdom**, according to the installation instructions provided with the unit, **by employees of an electrical business**, who have been qualified by means of a certification training by VARTA Storage, to install energy storage systems.
- **3.2** The installation technician registers on the VARTA Storage installation portal the VARTA System, the Battery Module and the date of installation. Within four weeks from the date of installation, the End Customer registers his/her data under www.varta-storage-portal.com (name, address, e-mail address, telephone number) and enters the serial number of the VARTA System and his/her activation code. Alternatively, the installation technician may, with the permission of the End Customer, register his/her data.
- **3.3** The End Customer is required to **notify a claim** upon this warranty to VARTA Storage **within two months** after s/he has, or should have, identified a defect (for example by way of letter, fax or e-mail).

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# 4. Exclusion of Warranty Claims

Warranty claims are excluded if the defect arises from the fact that:

- The VARTA System, or the Battery Modules, respectively, were not used according to their usual purpose or were not used according to the provisions of the operating instructions which were provided therewith;
- The End Customer **did not provide** for the VARTA System, or the Battery Modules, respectively, **to be serviced according to the provisions of the operating instructions which were provided therewith**, by an electrical business, whose employees were qualified by means of a certification training by VARTA Storage to service energy storage systems;
- Amendments, repairs or other interferences were made to the VARTA System or the Battery Modules, respectively, by the End Customer or a third party, who was not qualified by means of a certification training by VARTA Storage; or
- Components were installed in the VARTA System which were not authorised by VARTA Storage.

## 5. Data Protection

For the purpose of implementing these warranties, VARTA Storage processes and uses the data of the End Customer, his/her VARTA System and the Battery Modules which was entered online and released (and may provide this data to an electrical business who has been tasked by VARTA Storage to make repairs). The data relating to the End Customer is also used for contacting the customer in the case of a security risk, in the case of a recall or similar cases.

# 6. Costs incurred where the warranty is not applicable

If warranty claims are made as against VARTA Storage and it becomes clear that these claims are not founded, the costs that the End Customer has incurred in the context of exercising the claim are to be borne by the End Customer himself. Further, the End Customer is required to bear the costs, including any costs of work, which incurred by examining the VARTA System or the Battery Module by VARTA Storage (including, if applicable, the costs of the removal and (re-)installation), unless the End Customer was not able to recognise the fact that the warranty claim was not founded.

## 7. German Law

The substantive law of the Federal Republic of Germany is exclusively applicable to these warranties, without reference to another legal system. The applicability of the Vienna UN Convention on Contracts for the International Sale of Goods dated 11 April 1980 is excluded.