SATCON POWER SYSTEMS SUPPLEMENTARY TERMS AND CONDITIONS OF SALE FOR PHOTOVOLATIC POWERGATE[®] INVERTERS

Ten Year Warranty The PowerGate[®] PV Photovoltaic Inverter (hereinafter referred to as "Product") sold hereunder is sold subject to the SatCon Power Systems, Terms and Conditions of Sale for Product, document # 03.01.00.11, except for Section 5.0, which shall be replaced by the following:

5.0 WARRANTY

- 5.1 Seller warrants that any Product sold hereunder shall be free from defects in material and workmanship and shall substantially conform to the applicable specifications for a period (the "**Warranty Period**") terminating one hundred and twenty-six (126) months from the date delivery or one hundred and twenty (120) months from the date of first use for commercial purposes, whichever occurs first.
- 5.2 In full satisfaction of any claim under this warranty, Seller shall, if satisfied after its inspection, tests or other assessment that the Product is defective, either (i) repair any defective part or parts, or (ii) make available to Purchaser such repaired or replacement part or parts or such service as is required to in Seller's opinion correct the defect. Parts shall be delivered in accordance with the delivery terms applicable to the parts and services hereunder and any excess or replaced parts shall be returned FCA Seller's factory (INCOTERMS 2000). Service shall be performed during normal working hours during times mutually agreed upon in advance by Seller and Purchaser. The conduct of any tests required to determine whether a Product is defective shall be mutually agreed upon in advance by Seller and Purchaser.
- 5.3 This warranty shall be void if:
 - the Products have been damaged in shipment or improperly stored, installed or maintained or otherwise have not been used in conformance with Seller's applicable instructions or have been altered or repaired without Seller's written consent;
 - (ii) Purchaser fails to notify Seller promptly in writing of any claim under this warranty; or
 - (iii) Purchaser fails to make any Product subject of a claim promptly available for inspection and correction.
- 5.5 This warranty does not apply to:
 - (i) Damage, malfunction, or degradation of electrical output caused, directly or indirectly, by any repair or replacement using a part or service not provided or authorized in writing by the Seller;
 - (ii) Damage, malfunction, or degradation of electrical output resulting, directly or

03.01.00.11-PV10 Page 1 of 2 Revision March 16, 2007 indirectly, from Purchaser or third party abuse, accident, alteration, improper use, negligence or vandalism, or from earthquake, fire, flood, direct lightning strike to the Product or other acts of God or Force Majeure as described in Paragraph 7.1;

- (iii) Damage caused, directly or indirectly, by other events outside of the control of Seller; or
- (iv) Any third party components or monitoring systems for incorporation into the Product that are i) supplied by Purchaser to Seller, or ii) purchased by Seller on behalf of Purchaser.
- 5.6 Subject to Paragraph 12.2, this warranty extends to the owner, including any subsequent owner or a lessee and an assignee of a lease, at the same location during the Warranty Period of the photovoltaic system provided by Purchaser incorporating the Product (hereinafter referred to as "**Owner**").
- 5.7 This warranty is conditional upon:
 - (i) The installation and operation, at Seller's sole discretion and expense, of Seller's remote monitoring system to verify the performance of any Product sold under this Agreement;
 - (ii) Satisfactory inspection by Seller's service representative, at Seller's sole discretion and expense, not more frequently than once a year; and
 - (iii) Purchaser and the Owner shall execute the warranty registration and remote monitoring licensing agreements titled, "PowerGateTM Warranty Registration", and, if applicable, "PV ViewTM Licensing Agreement".
- 5.8 THIS WARRANTY CONSTITUTES PURCHASER'S SOLE AND EXCLUSIVE REMEDY FOR CLAIMS IN RESPECT OF DEFECTIVE OR NON-CONFORMING PRODUCTS HEREUNDER AND IS IN LIEU OF ALL OTHER WARRANTIES, CONDITIONS, GUARANTEES OR REPRESENTATIONS RELATING TO THE PRODUCTS HEREUNDER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, IN CONTRACT, TORT OR OTHERWISE, INCLUDING WITHOUT RESTRICTION ANY WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR PURPOSE, AND ANY SUCH WARRANTY, CONDITION, GUARANTEE OR REPRESENTATION IS HEREBY EXCLUDED.
- 5.9 SELLER SHALL NOT BE HELD LIABLE FOR ANY CONSQUENTIAL DAMAGES OR LOSS OF USE ASSOCIATED WITH WARRANTY CLAIMS FOR said Product. For greater certainty, any claims under this Section 5.0 are subject to the limitations in Sections 6.1.
- 5.10 SELLER'S TOTAL LIABILITY FOR ANY AND ALL WARRANTY CLAIMS AND COSTS under this Section 5.0 SHALL NOT EXCEED THE PRICE RECEIVED FOR SUCH PRODUCT.