

LIMITED WARRANTY

COMMERCIAL AND INDUSTRIAL BATTERY STORAGE PRODUCTS

- 1. <u>Limited Warranties</u>. Fortress Power LLC ("Fortress") warrants as follows:
 - (a) Each Fortress[™] Commercial and Industrial Battery Storage Product listed in Table 1 below (the "Covered Products"), and the components thereof, will be free from material defects in workmanship and materials, normal wear and tear excepted, for the periods listed in Table 2 (the "Warranty Periods"). The Warranty Periods will begin on the date that the Covered Product is first purchased by the ultimate customer (the "Customer") from Fortress or an authorized distributor, dealer or reseller of Fortress ("Reseller"), on the date indicated on Customer's Warranty Registration Card or the date of Customer's online registration at <u>https://www.fortresspower.com/product-warranty/</u> whichever is earlier. Covered Products must be installed by a licensed professional using the Fortress Power Installation Manual[™] and the Fortress Power Integration Guide[™] ("Fortress Documentation").
 - (b) The Fortress Power Cloud-Based Energy Management System[™] (the "System") will operate in substantial compliance with Fortress' then-current specifications, therefor ninety (90%) of the time. This limited warranty will begin upon registration by Customer and expire ninety (90) days thereafter to be covered by this Limited Warranty.
 - (c) In the event that the Customer's fails to complete a Warranty Registration Card or register online within ninety (90) days of purchase, all Covered Products are sold and the System is licensed AS IS, without any warranty whatsoever.
- <u>Disclaimer of All Other Warranties</u>. FORTRESS DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND EXPRESSLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR NON-INFRINGEMENT.

<u>Exclusions from Warranty Coverage</u>. The foregoing warranty will be void if the defect in the Covered Product or System is attributable, in whole or part, to:

(a) damage during installation, removal, or shipment; (b) improper operation or use for an unintended purpose. Battery should not be used in applications that exceed 90% Depth of Discharge ("DOD"). Battery end-of-life within the warranty period that is deemed to be caused by wear-out due to discharge/recharge cycling* over the Limit of 6000 cycles at 90% DOD will not be considered a defect and will not be covered by the warranty. The battery's life will vary based on the application in which they are used, ambient temperature, frequency of discharges, and depth of discharges. Each discharge that exceeds the recommended depth of discharge, as stated in the Manufacturer's literature, will diminish battery life. The battery must be used in the application for which it was designed. (c) damage caused by Customer's electric supply or other electrical equipment; (d) unauthorized repairs; (e) alterations, modification, or disassembly of the Cover Product or System or alteration or removal of any serial number; (f) accident, misuse or abuse of the

Covered Product; (g) exposure to water or moisture, fire or repeated temperatures below 32°F (O°C) or above 90° (32°); or (h) lightning, storms, floods or other acts of God.

- 3. <u>License to the System</u>. <u>The System is not sold but rather licensed by Fortress to the Customer solely</u> <u>for use with the Covered Products</u>. It is and will remain, the sole and exclusive property of Fortress, as will all copyrights, designs, patents, trademarks and other intellectual property rights in and to the Covered Products and the System remain the sole and exclusive property of Fortress. The analysis, copying, de-compiling, reverse- engineering or bench testing of the System is a violation of this license and is a violation of federal, state and/or local law.
- 4. <u>Sole Remedy for Defects in Covered Products and the Systems</u>.
 - (a) If defects in workmanship and/or materials in Covered Products are found by Fortress to have occurred during the Warranty Period, which defects are not excluded as provided in Sections 2 and 3, Fortress will, in its sole discretion, either: (i) repair the Covered Product; or (ii) replace the Covered Product with a new or refurbished identical Covered Product; or (iii) replace the Covered Product with a new or refurbished Covered Product of the same type with same or greater value. In each such case, the repaired or replaced Covered Product will be similarly warranted for a period of twelve (12) months from shipment of the repaired or replaced Covered Product, or, the remainder of the Warranty Period, whichever is greater. If, in the opinion of Fortress, in its sole discretion, it is not feasible to repair or replace a Covered Product, it shall have the right to issue a credit to Customer in the amount of the then-depreciated value of the Covered Product, calculated in accordance with Table 3 below, which credit may be used by the Customer solely to purchase another Covered Product from Fortress. Such credit will have no cash value.
 - (b) If the System fails to operate in substantial compliance with the then-current specifications therefor, Fortress will take commercially reasonable steps to make such adjustments and corrections and offer such workarounds as Fortress deems necessary, in its sole discretion.
 - (c) THE FOREGOING REMEDIES ARE THE SOLE REMEDIES AFFORDED THE CUSTOMER BY FORTRESS, OR ITS RESELLER, WHETHER FOR ANY AND ALL BREACHES OF FORTRESS' LIMITED WARRANTIES OR FOR ANY AND ALL CLAIMS BY THE CUSTOMER THAT ANY COVERED PRODUCT OR COMPONENT THEREOF OR THE SYSTEM IS NON- CONFORMING OR DEFECTIVE IN ANY WAY.
 - (d) Unless Fortress otherwise agrees in writing, Fortress will not be responsible for any expenses incurred by Customer or in the selection, shipment, installation, removal, or re-installation of any Covered Product or repaired or replaced Covered Product or any services provided to any Customer by a Reseller, whether or not related to a Covered Product.
- 5. <u>Limitation of Damages</u>. IN NO EVENT WILL FORTRESS BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES (OR ANY LOSS OF REVENUE, PROFITS OR SAVINGS OR ANY LOST OR DESTROYED DATA) ARISING FROM OR RELATED TO THE SELECTION, PURCHASE OR USE OF ANY COVERED PRODUCT OR THE SYSTEM WHETHER UNDER CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY. CUSTOMER ASSUMES THE ENTIRE RISK OF SELECTION, INSTALLATION, AND USE OF THE COVERED PRODUCT AND SYSTEM. FORTRESS' AGGREGATE LIABILITY ARISING WITH RESPECT TO THIS AGREEMENT WILL NOT EXCEED THE SUMS PAID BY CUSTOMER TO FORTRESS (OR

ITS RESELLER) FOR THE COVERED PRODUCT AND SYSTEM PRIOR TO THE DATE SUCH LIABILITY FIRST AROSE.

- 6. <u>Submission of Warranty Claims</u>. Warranty claims must be submitted, in writing, by the Customer to Fortress and must identify the Customer, the Reseller (if any), the date of purchase, the claimed defect and instructions for contacting the Customer (if required). The claim should be sent to Fortress Power, LLC, 2010 Cabot Blvd W, Suite L, Langhorne, Pennsylvania 19047, or, electronically to <u>warranty@FortressPower.com</u>. In the event that Fortress replaces Covered Products, or components thereof, the items being replaced will become the property of Fortress and must be returned to Fortress.
- 7. <u>Dispute Resolution</u>. The parties hereto irrevocably agree that any legal suit, action or proceeding arising out of or based upon this Limited Warranty (excluding only a claim by Fortress for payment) shall be submitted to binding arbitration pursuant to the Commercial Rules of the American Arbitration Association to be held in Philadelphia, Pennsylvania with each party selecting an arbitrator and such arbitrators selecting a third arbitrator. The parties will each bear one-half of the costs (as well as their own costs) of any such arbitration. To the extent that the intervention of any court is required (including for a claim by Fortress for payment), the parties submit to the exclusive in-person jurisdiction of the Federal and Commonwealth courts situated in Pennsylvania and waive any right that they may have to a jury trial.
- 8. <u>Assignment</u>. While the Customer may transfer a Covered Product purchased to a third party, this Limited Warranty and any license to the System is not transferable. The transferee of a Covered Product may obtain a license from Fortress upon written request and agreement to the terms of the license.
- <u>Miscellaneous Provisions</u>. The following provisions shall also apply to this Limited Warranties:
 (a) The Customer's registration pursuant to Section 1 shall constitute the Customer's signature and confirm its agreement to this Limited Warranty.

(b) This Limited Warranty shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflict of law provisions.

(c) The parties waive, to the fullest extent that they may effectively do so under applicable law, any objection which they may now or hereafter have to arbitration of disputes.

(d) No single waiver of any rights hereunder will be deemed to be continuing.

(e) The U.N. Convention on Contracts for the International Sale of Goods shall not apply to this Limited Warranty.

(f) This Limited Warranty is the entire agreement as to the subject matter hereof and may be amended by Fortress upon notice to the Customer.

THE STATE OF CALIFORNIA HAS DETERMINED THAT ION BATTERIES CONTAIN CHEMICALS KNOWN TO CAUSE CANCER, BIRTH DEFECTS AND REPRODUCTIVE HARM

TABLE 1 COVERED PRODUCTS

Individual Components:

Description	eSpire 280HP/300/560HP/600/840HP/900	eSpire Mini
Battery Capacity	280/300/560/600/840/900 kwh	81-266 kWh
Power Conversion System	PCS 125kW HV	PCS 30/40/50/60/90 kW
Fortress Control Cabinet	Microgrid Panel	Integrated
MPPT Charger	N/A	DC-DC Charger 45/90/135 kW

TABLE 2 WARRANTY PERIODS

Items	Warranty Period
eSpire Battery 233/280/300 KWH eSpire Mini Battery 81-266KWH	10 Year
Power Conversion System (PCS) 125 kW HV / 125 kW	10 Year
Fortress Control Cabinet	10 Year
eSpire Mini DC-DC Charger 45/90/135 kW	10 Year
eSpire Mini PCS 30/40/50/60/90 kW	10 Year

TABLE 3 DEPRECIATION TABLE SOH

Year	SOH	Remarks
0	100 %	
1	93.7 %	 Operating conditions for the system: Charge and Discharge Power: 0.5C rating; Depth of Discharge: 90%; Resting SOC ≤ 50%; Number of cycles: 1 cycle per day each year The measurement point for this SOH is at the DC output terminal of the product, where auxiliary consumptions are excluded.
2	89.6 %	
3	87.2 %	
4	85 %	
5	82.3 %	
6	80.7 %	
	77.8 %	
8	75.1 %	The base capacity performance @70% SOH is 10 years.
9	72.6 %	
10	70 %	

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